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LEGISLATIVE HISTORY

Public Law 147--80th Congress

Chapter 186--1st Session

H. R. 2436

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DICEST OF PUBLIC LAW 147

TREASURY-POST OFFICE APPROPRIATION ACT, 1948. Provides for transfer of funds from various Agriculture Department agencies for expenses of disbursing funds, clearing checks, servicing bonds, handling collections, and rendering accounts; continues availability of balances for refunds and payments of processing and related taxes; requires (under the Bureau of Federal Supply) transfers from other agencies to the Bureau in connection with transfers of functions to the Bureau, provides the method of payments to the general supply fund, permits the Bureau to repair Government typewriters at cost, limits the amount which may be paid for typewriters, provides for the disposal of surplus property, and authorizes field settlement for stock issued by Warehouses and the purchase of printing and binding from the Government Printing Office for field-warehouse stocking and issue; permits the Post Office Department to manufacture small quantities of distinctive equipment required by other departments; and provides for joint telephone switchboard service in post-office buildings serving two or more Government agencies.

INDEX AND SUMMARY OF HISTORY ON H. R. 2436

| | |
|-------------------|---|
| January 23, 1947 | Hearings, House: Treasury Department. H. R. 2436 |
| February 13, 1947 | Hearings, House: Post Office Department. H. R. 2436. |
| March 7, 1947 | House Appropriations Committee reported H. R. 2436. House Report 103. Committee Prints of the bill and report. Print of the bill as reported. |
| March 10, 1947 | House began debate. |
| March 11, 1947 | Debate continued. Passed House as reported. |
| March 12, 1947 | H. R. 2436 referred to the House Committee on Appropriations. Print of the bill as referred. |
| March 27, 1947 | Hearings, Senate: H. R. 2436. |
| May 14, 1947 | Hearings, House: Post Office Department. H. R. 2436. |
| May 26, 1947 | Senate Committee on Appropriations reported H. R. 2436 without amendment. Senate Report 201. Print of the bill as reported. |
| May 28, 1947 | Minority Views report submitted. Senate Report 201, Pt. 2. |
| June 2, 1947 | Senate debated and passed H. R. 2436 with amendments. Print of H. R. 2436 with the amendments of the Senate numbered. Senate Conferees appointed. |
| June 4, 1947 | House Conferees appointed. |
| June 26, 1947 | House received the Conference Report. House Report 721. |
| June 27, 1947 | Both Houses agreed to the Conference Report. |
| July 1, 1947 | Approved. Public Law 147. |

[COMMITTEE PRINT]

NOTICE.—This report is given out subject to release when consideration of the bill which it accompanies has been completed by the whole committee. Please check on such action before release in order to be advised of any changes.

80TH CONGRESS } HOUSE OF REPRESENTATIVES { REPORT
1st Session } No. — 105

TREASURY AND POST OFFICE DEPARTMENTS
APPROPRIATION BILL, 1948

MARCH —, 1947.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. CANFIELD, from the Committee on Appropriations, submitted the following

REPORT

[To accompany H. R. — 2436]

The Committee on Appropriations submits the following report in explanation of the accompanying bill making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1948.

The bill embraces regular annual appropriations for these Departments, the estimates for which are to be found: For the Treasury Department on pages 781 to 824, inclusive, of the Budget; and for the Post Office Department, on pages 727 to 747, inclusive, of the Budget.

The several pay bills passed by the Congress in 1946 have materially increased the cost of personal services. Such increases, and particularly those provided for in Public Laws 390, 317, 386, and 577, should be kept in mind when comparing appropriations for fiscal 1948 with those of 1947. For convenient reference, a tabular presentation is made below, showing in addition to 1947 appropriations and amounts recommended for 1948, deficiency estimates now pending before the committee, including those covering the cost of increased compensation.

| | Treasury Department | Post Office Department | Total |
|--|------------------------|---------------------------|-----------------|
| Appropriations, 1947..... | \$2,681,203,150 | \$1,279,580,069 | \$3,960,783,219 |
| Pending deficiency estimates, including cost of increased compensation..... | 41,076,500 | 258,795,250 | 299,871,750 |
| Total, 1947..... | 2,722,279,650 | 1,538,375,319 | 4,260,654,969 |
| Estimates, 1948..... | 2,554,034,250 | 1,545,089,250 | 4,099,123,500 |
| Bill, 1948..... | 1,671,317,500 | 1,530,733,250 | 3,202,050,750 |
| Bill compared with 1947 appropriations plus pending deficiency estimates..... | -1,050,962,150 | -7,642,069 | -1,058,604,219 |
| Bill compared with 1948 estimates..... | -882,716,750 | -14,356,000 | -897,072,750 |

¹ Includes \$8,179 appropriated in Third Deficiency Appropriation Act, 1946.

TITLE I—TREASURY DEPARTMENT

DISCUSSION OF TYPE AND AMOUNT OF APPROPRIATIONS, ESTIMATES, ETC., CONTAINED IN ACCOMPANYING BILL

At the outset attention is directed to the fact that of the grand total appropriations of \$10,857,496,721, which will be available for expenditure by the Treasury Department in 1948, under the terms of the accompanying bill and other legislation, only \$1,671,317,500 represents the regular annual appropriations in the bill. The balance, or \$9,186,179,221, represents moneys made available for Treasury Department expenditure by permanent appropriations not subject to the control of the Appropriation Committee.

So that the House may understand the fiscal picture surrounding Treasury operations in 1948, it is pointed out that there are three types of appropriations available to the Treasury Department:

(1) The regular annual appropriations made from the general fund of the Treasury which appear in specific amounts in the accompanying bill.

(2) The so-called permanent appropriations for which Congress at various times has made provision by permitting either fixed or indeterminate sums to become available automatically each year for certain defined purposes. The effect of this procedure is to dedicate the Government to a set expenditure each year for various purposes with no power on the part of the Appropriation Committee to change in any way the availability of these funds.

(3) Trust funds, which represent monies in the Treasury belonging by legal or equitable right to individuals or groups of individuals and which are automatically paid to such persons or groups upon establishment of their right thereto.

The fourth type of appropriations—regular general fund appropriations made in an indefinite amount—no longer appear in the accompanying bill. All regular annual appropriations are now set up on a specific appropriation basis and all requests for indefinite authority to expend funds have been eliminated. It is admitted that there are some arguments for permitting expenditures without limit for certain uncontrollable expenditures, but the committee feels that these arguments must give way to the principle that the Congress should provide specific sums for stated functions and processes of Government,

Full Committee inserted statement that it would not consider deficiencies for payment of terminal leave of employees dropped because of reductions in appropriations.

reserving the right to modify any action taken as circumstances may dictate. Abiding this principle, therefore, the committee has inserted specific sums for five items of appropriation that have been submitted in the Budget in an indefinite amount. These items are:

- (1) Payment of unclaimed monies.
- (2) Refund of monies erroneously collected.
- (3) Payment of certified claims.
- (4) Refunding Internal Revenue collections.
- (5) Custom refunds and draw-backs.

Attention was directed in the preceding paragraph to the fact that this bill carried regular annual appropriations totaling \$1,671,317,500. Of this total, however, it is important to point out that only about \$425,000,000 represents the actual controllable operating expenses of the Treasury Department, the balance, or roughly \$1,245,000,000 being made up of refunds of internal-revenue taxes, custom refunds and draw-backs, and other small refund items, all of a nonoperational character. The President's budget for 1948 contained approximately 503½ million dollars for these controllable operating expenses. By reducing these controllable expenses totals to \$425,000,000, the committee is effecting a positive fixed savings of approximately \$80,000,000. This represents a reduction of approximately 16 percent and, considering the fact that the Treasury Department falls in the category of a so-called service agency, the committee feels that the savings thus effected can be considered substantial.

For the convenience of the House, the following table is inserted to show at a glance the over-all picture as regards the amount of the current year's appropriations, the amount of the estimates, the committee action taken, and comparison with last year's appropriations and the 1948 estimates.

| Type of appropriation | Amount of appropriations for 1947 | Budget estimates for 1948 | Recommended in bill for 1948 | Increase (+) or decrease (−) bill compared with 1947 appropriations | Increase (+) or decrease (−) bill compared with 1948 estimates |
|------------------------------------|-----------------------------------|---------------------------|------------------------------|---|--|
| Regular annual appropriations..... | \$2,681,203,150 | \$2,554,034,250 | \$1,671,317,500 | −\$1,009,885,650 | −\$882,716,750 |
| Permanent appropriations: | | | | | |
| General and special funds..... | 5,548,407,759 | 5,594,895,043 | 5,594,895,043 | +46,487,284 | ----- |
| Trust funds..... | 2,779,782,725 | 3,591,284,178 | 3,591,284,178 | +811,501,453 | ----- |
| Grand total..... | 11,009,393,634 | 11,740,213,471 | 10,857,496,721 | −151,896,913 | −882,716,750 |

Directing attention specifically to the two totals carried in the table above under the heading "Permanent appropriations" it is pointed out that practically the entire total shown under these two heads is made up of four uncontrollable items as follows:

| | |
|--------------------------------------|---------------|
| (1) Statutory debt retirement..... | \$592,790,000 |
| (2) Interest on the public debt..... | 5,000,000,000 |
| (3) Federal old-age trust fund..... | 2,177,400,000 |
| (4) Unemployment trust fund..... | 1,413,673,778 |

Total..... 9,183,863,778

Thus, while the total availability of funds for Treasury Department account looms large, over 90 percent of the total becomes available automatically, as a result of statutory law, and the items shown above are neither a part of the accompanying appropriation bill nor are they within reach of the Appropriations Committee as regards possible amendment or reduction.

Another word of explanation is appropriate. The total carried under the column in the above title under the heading "Budget estimates for 1948" will be found to be \$20,000,000 less than the sum carried in the President's Budget under that heading. This results from the action of the committee in eliminating from the Treasury estimates an item in that sum for subscriptions to the capital stock of the Federal Crop Insurance Corporation. This estimate will subsequently be taken up by either the Agricultural or Corporations Subcommittee of the Appropriation Committee and will be incorporated, at a later date, as an estimate in the appropriate appropriation bill.

The reductions the committee has made in the regular items in the bill are, in the committee's opinion, justified on the basis of evidence submitted to the committee by the various bureau officials, and by other matters coming to its attention. On some few appropriations the action may appear drastic, yet it is the committee's view that no reduction has been made which would curtail any vital public service, and such decreases are justified by the insistent demand of the American public for a decided curtailment in the expenditures of the Federal Government, in order that the stability of our Government might not be threatened by a program of fiscal profligacy.

There has been and is an ever growing demand, and a mandate has been given, that the budget of this country be put in balance and a program of orderly debt retirement instituted. The individual citizen has fully awakened to the fact that he is contributing a sizeable portion of his income to the operations of his National Government, and he is now making a just and long delayed demand for an account of its stewardship. To translate these demands of the citizen taxpayer into results requires that Government officials be inculcated with the understanding and realization that the continuance of their Government is resolved around issues that transcend the mere continuance, on any given level of operation, of any particular agency or function of government. Some strong measures are essential if we are to reduce Government expenditures. Government officers must be put on notice that the citizen has demanded a stop order on all administrative practices that indulge employee idleness and which make a mockery of laws and regulations, designed to insure to the Government, in terms of work production, a reasonable return for the liberal vacation, sick leave, and other privileges extended by the Government to its employees. The committee makes no mass indictment of Government officials for laxity in administration or for employee shortcoming. It is recognized that a majority of the servants of the Government are loyal, hard working, conscientious, and give a day's service for a day's pay. It is known, however, that there is both overstaffing and a degree of unjustifiable indolence manifest in the operations of some Government agencies and bureaus. Scores of letters received daily by the Appropriation Committee bear testimony to this fact. Observation confirms it. The committee is making every

effort to ferret out information that will permit this abuse to be corrected. The task is laborious and, in a sense, a thankless one, but the people have spoken and their will must be served.

In the light of these responsibilities this bill is presented for the consideration of the House. The committee expresses the hope that the membership will give heed to this crystalized public demand and will support the committee recommendations which have been fashioned to that end, after careful and complete study, by a subcommittee unanimous in its findings.

COMMENT ON "DIARY" PREPARED BY FORMER SECRETARY OF THE
TREASURY MORGENTHAU

Shortly prior to the commencement of hearings on the Treasury Department estimates, public attention was focused on the subject of the so-called Morgenthau "diary." As a means of ascertaining just what the facts were with respect to the preparation of this diary, the committee interrogated the present Secretary of the Treasury and members of his staff, on two occasions. Between the time of the Secretary's two appearances before the committee, former Secretary Morgenthau volunteered, at the request of the present Secretary of the Treasury, to make all of his papers available for inspection by Treasury Department personnel to determine whether any papers in the collection should be returned to Government files as official, rather than personal, papers. Questioning on this subject has disclosed that there are several ill-defined and moot questions concerning the entire question of what constitutes official papers and collaterally, how far discretion can properly be reposed in Government officials when separating themselves from Government employment, to retain in their personal possession papers colored with a public interest. The committee feels, therefore, that a review of this subject by the appropriate legislative committee of the House would be in order to the end that the law in this matter may be more clearly defined and the Government's interest adequately protected.

DEPARTMENTAL OFFICES UNDER THE OFFICE OF THE SECRETARY OF THE
TREASURY

| Appropriation for 1947 | Budget estimate for 1948 | Recommended in bill for 1948 | Increase (+) or decrease (-), bill compared with 1947 appropriation | Increase (+) or decrease (-), bill compared with 1948 estimates |
|---------------------------|-----------------------------|---------------------------------|---|---|
| \$22,808,750 | \$9,736,500 | \$9,017,000 | -\$13,791,750 | -\$719,500 |

(Two large items which were included above in the 1947 appropriation: \$15,000,000 for refunds under Renegotiation Act and \$1,000,000 for foreign funds control, are no longer required, and have been eliminated from the budget estimates, making up most of the difference between the appropriation for 1947 and the estimates for 1948.)

Inasmuch as all of the offices that have been placed organizationally under the Secretary of the Treasury are service units, it was not possible for the committee to make as substantial reductions as

were possible in some other sections of the bill. Several changes of import are reflected in the reduction of \$719,500 made in the Budget estimates for these offices. The principal changes will be alluded to in the order in which they appear in the bill.

Immediate office of the Secretary.—The reduction of \$80,000 in the estimates for this office will mean that operations must be conducted with \$23,000 less than the amount available for the current year. This will necessitate the absorption of all funds contained in the estimate for promotions which, as a corollary, will result in the reduction of some twenty-odd personnel.

Cost of penalty mail.—An appropriation of \$6,700,000 is recommended to meet the cost of penalty mail sent out by the Treasury Department. The committee shall expect mailing schedules to be adjusted in such way as to insure that the total cost of mail does not exceed the figure provided.

Personnel or property damage claims.—A new item of \$20,000 appears in the bill to permit the settlement by the Treasury Department of Federal tort claims pursuant to the provisions of the Legislative Reorganization Act of 1946. As there are no past experiences to be used as guides the committee has allowed the estimate submitted by the Treasury to stand.

Division of Tax Research, Tax Legislative Counsel, Division of Research and Statistics, General Counsel's Office

Previously, each of the four offices named in this side head have been provided for separately by specific appropriations. The committee has determined to consolidate all of these units under the Office of the General Counsel. Accordingly, the committee has eliminated from the bill the individual estimates for the Division of Tax Research, the Tax Legislative Counsel, and the Division of Research and Statistics, and in lieu thereof, and has increased the estimate for the General Counsel's Office by approximately \$250,000, to take care of the functions previously performed by these three independent agencies. The net result of this action is to effect an over-all savings, in terms of the estimates, of \$245,600. This consolidation will bring in its wake a reduction in personnel, but the committee is of the opinion that by better utilization of employee's time which the consolidation should permit, the work of these units can be carried on without measurable impairment in output. Tax research, both economic and legal, should be limited to studies concerning the immediate requirements for tax change and less time and attention should be devoted to theoretical studies of taxation that do not have immediate applicability to proposed changes in the tax structure.

Division of Personnel.—The committee is disturbed at the rapid growth of the Central Division of Personnel of the Treasury Department. This unit has grown from an appropriation of \$44,000 in 1938 to a requested allowance of \$227,000 in 1948. Each of the component agencies of the Treasury Department has a personnel division of its own, and as such, is equipped to handle the vast majority of personnel actions involving its own employees. The departmental personnel division should confine itself, in the main, to questions of personnel policy. To give effect to this thought, the committee has reduced the estimate by \$100,000, the effect of which will be to require a further decentralization of personnel function by requiring that the various

Treasury bureaus assume an increased measure of responsibility in coping with problems of personnel within its own bureau confines. The committee makes note of the fact that this Division has been charged with investigating un-American activities in the Department, but that only one hearing has been held, despite more than 350 complaints received, since 1943. Greater diligence in this matter is essential, and the committee will expect the Secretary of the Treasury to see that his Department is put in order. There should be no subversive elements in the Treasury.

The health service program for the personnel of the Treasury Department has been given a reduction of about 40 percent. Inasmuch as this activity is in the general nature of dispensary care, it is felt that retrenchment is possible and warranted. Enough money has been provided for all emergency treatment.

Office of the Chief Clerk.—The appropriation of \$326,000 recommended for the Chief Clerk's office for the next fiscal year will necessitate the absorption of all additional moneys proposed for salary increases and will result in a contraction of the office by the elimination of a portion of the personnel. The committee feels that essential functions can be maintained with the amount allowed, with certain other functions, that might fall into the category of being desirable but not necessary, curtailed or eliminated to serve the demands of economy.

Custody of Treasury buildings.—The reduction of \$27,600 in the estimates for the maintenance items falling under this caption represents the curtailment of custodial services that should take place as the result of the elimination of Treasury personnel brought about by the various reductions in appropriations recommended in the accompanying bill.

BUREAU OF ACCOUNTS

| Appropriation for 1947 | Budget estimate for 1948 | Recommended in bill for 1948 | Increase (+) or decrease (—), bill compared with 1947 appropriation | Increase (+) or decrease (—), bill compared with 1948 estimates |
|---------------------------|-----------------------------|---------------------------------|---|---|
| \$10,068,400 | \$15,714,800 | \$13,655,000 | +\$3,586,600 | —\$2,059,800 |

As indicated in the above table, the estimates for the Bureau of Accounts have been reduced by over \$2,000,000.

The major portion of expense incurred by this Bureau involves the cost of issuing Government checks for salaries, pensions, Veterans' Administration allowances, purchases of supplies and payment under contracts made by the Government. The Division of Disbursement—a division within the Bureau of Accounts—is charged with this responsibility and it makes all disbursements for Government executive branch accounts, other than those chargeable to the Army, Navy, Panama Canal, Post Office Department, and a small part of Department of Justice disbursements. The estimate for the expenses of the Division of Disbursement is based upon the estimated number of checks to be written times the unit cost per check. The budget estimates anticipate that 188,000,000 of these items will have to be handled in 1948. The committee regards his estimate as excessive and accordingly, has reduced the estimate for this disbursing activity by \$1,600,000.

The committee has reduced the item for deposit of withheld taxes by \$15,000 and has increased the appropriation for printing and binding by \$14,300, so that, as a result of this transfer, the printing and binding appropriation will be charged with all printing costs of the Bureau.

The item for recoinage of silver coins has been reduced \$40,000 to a figure of \$200,000, with the thought that the anticipated recoinage schedule can be modified to keep within the limits of the appropriation recommended without doing serious harm to the recoinage program.

The committee is impressed with the representation of Bureau officials that a new system should be devised to handle the problem of "stale" checks.

Testimony presented to the committee indicates that there still remains \$711,000,000 of lend-lease transactions that are owing to the United States but which has not been billed to said foreign governments due to the shortage of personnel. Every effort should be made to accelerate this work in order that the Government may make collections of credits due and owing.

The committee has taken note of the fact that the estimate for the Division of Disbursement carried a total of over \$500,000 for overtime pay. It was testified that some of this overtime was necessary because of the failure of some Government departments to furnish pay-roll data in time to have checks made out in the normal routine course. The committee does not believe it justified to force the Division of Disbursement to pay overtime in order to fulfill an obligation to pay an employee of another agency on time, when that other agency is, by its dereliction, responsible for the delay causing the overtime. It would probably not require more than one delay in the issuance of checks to bring the offending department around to the point of setting its house in order to insure that such delay does not happen again.

BUREAU OF THE PUBLIC DEBT

| Appropriation for 1947 | Budget estimate for 1948 | Recommended in bill for 1948 | Increase (+) or decrease (-), bill compared with 1947 appropriation | Increase (+) or decrease (-), bill compared with 1948 estimates |
|---------------------------|-----------------------------|---------------------------------|---|---|
| \$66,075,000 | \$69,446,000 | \$65,913,000 | -\$162,000 | -\$3,533,000 |

As shown above, the committee is recommending a sum slightly less than \$66,000,000 to pay for the expenses of administration connected with funding and refunding of the public debt. The amount allowed will effect a reduction of \$3,533,000 in the budget estimates and it is the intention of the committee that in applying this reduction, not more than \$125,000 be directed at the operations of the Savings Bond Division. The amount allowed in this bill is some \$500,000 under the total currently available and it will therefore be incumbent upon public-debt officials to do some trimming of sail as regards the total number of employees engaged in public-debt operations. The membership of the House will find tables appearing on pages 29 to 34 of the hearings accompanying the bill which are illuminating on the public-debt picture. These tables give a complete break-down of the \$259,000,000,000 in outstanding public debt.

It appears that refunding operations to take place during the balance of the fiscal year 1947 and during all of the fiscal year 1948,

will involve an operation of about \$40,000,000,000, composed largely of short-term obligations.

The present cash balance carried in the Treasury of the United States is approximately $3\frac{1}{2}$ billion dollars, and the average interest rate paid on all outstanding public debt is 2.06 percent. It is interesting to observe that about $28\frac{1}{2}$ billion dollars' worth of Government bonds and securities are invested in various types of trust funds or are being held by Government corporations.

The savings bond program of the Government continues to require constant encouragement and stimulation. Now that the war inducement to purchase Government bonds has ceased, appeals to investors must be made along different lines, and the desirability of purchasing United States savings bonds, as an investment, will continue to be encouraged reasonably through the media of the radio, the press, mail, and circulars. It is pleasing to note that there has been a gradual diminution in the administrative cost of selling these war bonds. At the present time, these costs have been reduced to approximately one-twenty third of 1 percent.

The committee is convinced that the Government would be entirely justified in charging a fee for the replacement of any bonds that are lost, destroyed, mutilated, etc. It is thought that a small service fee for this replacement would be entirely reasonable and would in no way act as a sales resistant. The committee will charge the Bureau, therefore, with the responsibility of preparing a recommendation on this matter and presenting it for the consideration of the committee within 90 days after this report is published.

OFFICE OF THE TREASURER OF THE UNITED STATES

| Appropriation for 1947 | Budget estimate for 1948 | Recommended in bill for 1948 | Increase (+) or decrease (-), bill compared with 1947 appropriation | Increase (+) or decrease (-), bill compared with 1948 estimates |
|---------------------------|-----------------------------|---------------------------------|---|---|
| \$5, 075, 000 | \$5, 641, 000 | \$5, 040, 000 | -\$35, 000 | -\$601, 000 |

It will be seen that \$5,040,000 has been recommended in the bill for this office which dedicates itself primarily to the receipt, disbursement, and accounting of public moneys. The action taken by the committee will mean that the Treasurer will have to live substantially within the means provided for the current fiscal year, with administrative changes brought into being that will serve to absorb the additional funds that are required for salary increases provided by Congress. This office has made a commendable record since 1940 in handling a greatly increased work load with a much less proportionate increase in personnel. The committee action will require another "notch in the belt," and a continued improvement in work output per employee.

BUREAU OF CUSTOMS

| Appropriation for 1947 | Budget estimate for 1948 | Recommended in bill for 1948 | Increase (+) or decrease (-), bill compared with 1947 appropriation | Increase (+) or decrease (-), bill compared with 1948 estimates |
|---------------------------|-----------------------------|---------------------------------|---|---|
| \$44, 430, 000 | \$54, 100, 000 | \$47, 595, 000 | +\$3, 165, 000 | -\$6, 505, 000 |

Of the reduction of \$6,505,000 shown above, \$3,000,000 represents a scaling down in the amount estimated for the payment of custom refunds and draw-backs, while \$3,505,000 represents paring down on the administrative expenses of the custom service.

Customs business is increasing, but the committee is of the firm belief that with a more effective utilization of manpower, the essential need of maintaining the customs revenue can be served. One of the ways to improve the operations of this agency and provide a more effective use of the employees of the service is to work out an administrative agreement with the Immigration and Naturalization Service for the combining of the border-patrol agencies of these two services. The committee is informed that both the immigration border patrol and the customs border patrol operate along the Canadian and Mexican borders, and yet there is no correlation or cooperation in their activity. Certainly one man can be given a dual responsibility to patrol against violation of either the immigration or customs laws, and in this way, bring about a savings in personnel costs with little, if any, loss in either coverage or service. Such a recommendation has already been made by the Attorney General.

The committee is impressed by the increased amount of work some parts of the Customs Field Service are called upon to perform. It is felt, however, that some of the suggested expansions of service might be desirable but are not necessary. Such an item is the establishment of two new laboratories. The extension of Customs Agency Service abroad is also so considered, since it would appear that much of this work could be done by personnel of other departments having permanent staffs abroad. In many other instances, shifting of emphasis from nonessential activities to necessities, curtailing some administrative activities, and especially reducing expenses in other than personal-service items, would enable the Bureau to cope with much of its increased work load. If this is done, the amount recommended, which is an increase over the 1947 appropriation, would be available for employment of additional personnel in some of the field positions where they are needed.

BUREAU OF NARCOTICS

| Appropriation for 1947 | Budget estimate for 1948 | Recommended in bill for 1948 | Increase (+) or decrease (—), bill compared with 1947 appropriation | Increase (+) or decrease (—), bill compared with 1948 estimates |
|---------------------------|-----------------------------|---------------------------------|---|---|
| \$1,304,000 | \$1,510,400 | \$1,434,000 | +\$130,000 | —\$76,400 |

The Bureau of Narcotics is one of the few agencies in the Treasury that has maintained its expenditures on approximately the same level over the past 10 years. The amount provided by the committee—\$1,430,000—is only about \$130,000 in excess of the appropriation for 1940, and when consideration is given to the fact that there have been salary increases in the interim that have more than compensated for this increase, it will be seen that this Bureau has been operating most efficiently. The amount approved by the committee will require the elimination of approximately \$50,000 requested for increases in

operating expenses other than salaries and will require the Bureau to absorb about \$25,000 of the \$156,000 required to meet salary increases that will be due and owing in the fiscal year 1948.

BUREAU OF ENGRAVING AND PRINTING

| Appropriation for 1947 | Budget estimate for 1948 | Recommended in bill for 1948 | Increase (+) or decrease (-), bill compared with 1947 appropriation | Increase (+) or decrease (-), bill compared with 1948 estimates |
|------------------------|--------------------------|------------------------------|---|---|
| \$11,755,500 | \$13,505,500 | \$12,005,000 | +\$249,500 | -\$1,500,500 |

The reduction of \$1,500,000 in the estimates for the Bureau of Engraving and Printing will necessitate the Bureau finding ways and means of meeting the additional cost of salary increases by either reduction in personnel, increased output per employee, or a combination of the two.

The committee has noted that the estimate carries a figure of approximately \$1,300,000 for overtime pay, holiday pay, and night-work differential payments. A considerable portion of this extra remuneration charge results from orders placed with the Bureau of Engraving and Printing by other agencies of the Government. Not infrequently, the agency ordering the work insists upon an urgency tag being placed upon the order with the result that the Bureau incurs extra charges for night differential and overtime pay, such charges, of course, being reimbursed to the Bureau of Engraving and Printing by the ordering agency. The committee directs the attention of the Bureau of the Budget to this matter so that it may consider passing on the urgency of requests for the services of the Bureau of Engraving and Printing to the end that a possible conservation of Government expenditures may ensue, with the work being performed as a routine function of the Bureau of Engraving and Printing without the necessity of incurring overtime charges.

SECRET SERVICE DIVISION

| Appropriation for 1947 | Budget estimate for 1948 | Recommended in bill for 1948 | Increase (+) or decrease (-), bill compared with 1947 appropriation | Increase (+) or decrease (-), bill compared with 1948 estimates |
|------------------------|--------------------------|------------------------------|---|---|
| \$3,112,000 | \$3,465,100 | \$2,707,500 | -\$404,500 | -\$757,600 |

The main items of decrease making up the seven hundred and fifty-odd thousand cut shown above are to be found in the items for suppressing counterfeiting and other crimes, and the salaries of the White House Police force and the Treasury Buildings police force.

One of the principal functions of the Secret Service Division is the apprehension of counterfeiters. The figures show that there has been a tremendous decrease in counterfeiting during the past 10 years. This is a most encouraging showing and speaks well for the assiduity of the force. Offsetting this reduction in counterfeiting activity is a gradual increase in check forgeries, traceable, in the main, to the

greater volume of checks being issued rather than to any greatly accelerated forgery activity. The amount provided for the field service of the Division will amount to a reduction in the estimate for 1948 of about 25 percent, but the amount provided will still be nearly double that granted for the fiscal year 1938, and exceeds the appropriation granted for any of the war years. The committee feels that the service can live within the limits of the sum recommended without impairing the orderly, efficient processes of law enforcement with which this agency is charged.

The funds for the protection of the Chief Executive come from the appropriation for the suppression of counterfeiting and other crimes, and it is not the intent of the committee to reduce this protection in any way, other than the Service might deem possible because of the return to peacetime routines.

The amount provided for the White House Police force is \$270,000, which is a sufficient amount to pay the maximum size police force authorized by existing law. If it is determined that adequate protection of the White House demands a larger corps of officers than the 1 captain, 2 lieutenants, 4 sergeants, and 73 privates authorized in the act of April 22, 1940, then proper representation should be made before the appropriate legislative committee for a reconsideration of the existing legal limitations on numbers.

In 1939, Congress appropriated some \$300,000 for the salaries and expenses of the guard force that gives security protection to Treasury buildings. It was proposed in the pending budget that an appropriation of \$849,700 be made available for this force. The committee regards this increase in activity as very excessive and accordingly has cut back the 1948 allowance to \$720,000, which sum should be entirely adequate to give all reasonable security protection to the Government wealth stored in various Treasury buildings.

BUREAU OF FEDERAL SUPPLY

| Appropriation for 1947 | Budget estimate for 1948 | Recommended in bill for 1948 | Increase (+) or decrease (-), bill compared with 1947 appropriation | Increase (+) or decrease (-), bill compared with 1948 estimates |
|------------------------|--------------------------|------------------------------|---|---|
| \$101,377,000 | \$1,820,200 | \$1,480,000 | —\$99,897,000 | —\$340,200 |

As noted above, the total appropriation recommended for the Bureau of Federal Supply is \$1,480,000, of which amount \$170,000 is for printing and binding. With this amount the Bureau will have approximately \$100,000 to meet additional costs due to salary increases aggregating \$170,000. This will mean that the Bureau must absorb about \$70,000 by either reduction in personnel or in the other operating expenses of the agency. The additional employees requested for next year over and above those at present on the rolls are, as a result of the committee's reduction, disallowed.

During the course of the hearings on this agency, it was developed that Government corporations are not using the procurement facilities of this Bureau. It is suggested, therefore, that the Bureau of the Budget, within the next 4 months, investigate this question with a view to determining the wisdom of requiring all Government corpora-

tions to comply with regular Government supply procedure. Appropriate recommendation in the premises should be made to this committee before the next session of Congress.

The committee has been impressed with the fact that there appears to be no over-all policy in the Government as to the replacement of automobiles. Bureau of Federal Supply officials have decided that as far as automobile replacement in that Bureau is concerned a formula is now being devised which will make replacement contingent upon the relationship of operating costs to replacement cost. Such a formula appears to be sound and the committee feels that this principle might well be extended to other agencies of the Government which are operating and replacing automobiles on Government account. To fix the definite point at which the law of diminishing returns comes into being as regards motor-vehicle operation seems highly important. It is felt, therefore, that the Bureau of the Budget might likewise dedicate itself to a study of this problem with a view of formulating recommendations to the committee that may be of value in establishing a general over-all policy of automobile replacement by all Government agencies.

For many years, a provision has been carried in the Treasury-Post Office Departments appropriation bill setting a maximum price at which the Government may purchase typewriters. Repeated representations have been made by representatives of the various typewriter manufacturing agencies that this provision is discriminatory and does not assure a fair return to the manufacturer. Rumors have come to the attention of the committee—all unconfirmed—that there is a large stock of new and used (but usable) typewriters in Government surplus stocks—both declared surplus and agency inventory surplus. At the present time some typewriter manufacturers are refusing to supply the Government while some companies are offering only limited quantities of machines for Government purchase. There appears to be no immediate problem that supply will prove to be insufficient for Government requirements, but that possibility is presented. In order, therefore, that the committee may have a comprehensive picture of all the factors entering into this equation, it has been decided that the investigative staff of the committee will be called upon to look into this subject from all angles and prepare a report and recommendation for committee consideration prior to the commencement of hearings on the 1949 appropriation bill. In the meantime, language in the current act bearing on this issue is recommended for retention in the accompanying bill.

THE BUREAU OF THE MINT

| Appropriation for 1947 | Budget estimate for 1948 | Recommended in bill for 1948 | Increase (+) or decrease (-), bill compared with 1947 appropriation | Increase (+) or decrease (-), bill compared with 1948 estimates |
|---------------------------|-----------------------------|---------------------------------|---|---|
| \$6,264,500 | \$7,186,750 | \$6,467,500 | +\$203,000 | -\$719,350 |

The Bureau of the Mint engages itself primarily in the manufacture of coin for Government account and public use. The Bureau receives gold and silver deposits from the public and processes and refines

these metals for storage, protection and use. Over 95 percent of the total appropriation is expended at the mints in Philadelphia, San Francisco, and Denver, and at the assay offices in New York, Seattle, West Point, and Fort Knox.

As indicated above, the committee has reduced the mint estimates by about \$720,000. The amount allowed, however, is nearly three times the cost of the service in 1940. The principal item of cost is for coinage and it is recognized that the demands of the public for coins are in excess of what they were 8 years ago. With the funds provided, it will be possible for the mint to produce upward of 1,800,000 individual coins during the next fiscal year. Reference to the tables in the hearings on pages 420 and 421 gives a good picture of the volume of coinage in the various denominations of coins and coin inventory in the various categories. It will be necessary for the mint officials to devise means of absorbing approximately two-thirds of the amount required for salary increases pursuant to Public Law 390, and wage board determinations.

BUREAU OF INTERNAL REVENUE

| Appropriation for 1947 | Budget estimate for 1948 | Recommended in bill for 1948 | Increase (+) or decrease (—), bill compared with 1947 appropriation | Increase (+) or decrease (—), bill compared with 1948 estimates |
|---------------------------|-----------------------------|---------------------------------|---|---|
| \$2, 292, 707, 000 | \$2, 239, 003, 500 | \$1, 409, 003, 500 | —\$883, 703, 500 | —\$830, 000, 000 |

Salaries and expenses.—The committee has fixed the appropriation for the Bureau of Internal Revenue in 1948 at \$178,000,000. This action results in a saving with respect to the Budget estimate of \$30,000,000.

There is no fixed standard by which accurate determination can be reached on the ratio that appropriations should bear to estimated revenues. It would never be the design of Congress to provide sufficient funds to investigate each and every tax return that is filed each year. Any such policy would result in an unconscionable expenditure with the additional return in taxes collected palpably out of ratio to the expenditures involved. It is the thought of the committee that the Bureau of Internal Revenue as a means of serving the dictates of economy, should, in the future, give priority to the investigation of returns which either give prima facie evidence of tax avoidance or fraud, or those cases in which the Government is in possession of information indicating that the taxpayer has not correctly stated his return. Time-consuming, petty, frivolous cases should be ignored to serve the retrenchment program. The very taxpayer that has made his influence felt in demands for economy will, in the opinion of the committee, be willing to accept some small diminution in the matter of service rendered by the Bureau to him in preparing his return. It is not contemplated, however, that there should be any drastic curtailment in the servicing functions of the Bureau.

In justification of the estimates of funds for the fiscal year 1948, the Bureau of Internal Revenue sets forth that—

the taxpayers of this Nation who are meticulous in their response to the taxing statutes have a right to expect the Bureau to compel the attention of those who are less careful (p. 579).

The committee concurs in that sentiment.

In absorbing the reduction of funds for the Bureau of Internal Revenue, the committee wishes to emphasize its conviction that this can be done without weakening or impairing the enforcement function. In fact, the committee believes that a more vigorous effort can be made in this field because it represents an area in which the largest revenue returns can be effectuated per dollar of enforcement cost for personnel. Field offices which were established at the special instance of the former Secretary of the Treasury with funds supplies by Congress should be maintained and field officers should be given every encouragement in the vigorous pursuit of fraud and evasion cases. The committee proposes to give this matter continuous oversight to the end that there will be no weakening of the enforcement function.

Another reason prompting the committee's reduction lies in the fact that all present evidence points to legislative changes in the tax laws that will reduce the number of taxpayers filing returns. The degree of this reduction is, of course, contingent upon the nature of the revision of the tax laws that takes place. In any event, it is reasonable to assume that the contemplated number of tax returns of all classes to be filed during the fiscal year 1948 will be considerably less than the 86,000,000 upon which the budget estimate was based.

As regards the Alcoholic Tax Unit, for which activity funds are provided as a component of the appropriation for the Bureau of Internal Revenue, the committee feels that the decrease recommended should not be directed against this particular enforcement arm. It appears that with an increased program of production of spiritous liquors under way, there is developing an increased demand for the appointment of storekeeper-gaugers. The committee is of a mind that this demand should be met within the limits of funds provided in the accompanying bill, and that a deficiency should not be incurred. If the allotment for the Alcoholic Tax Unit contained in the present estimates is not reduced, it is thought that there will be sufficient funds to meet all irreducible demands for storekeeper-gauger personnel.

The committee feels it important to observe that as a result of the necessity of reducing to some degree the enforcement machinery of the Internal Revenue Bureau, it is not expected that there will be any let-up in the matter of prosecution of taxpayers who seek to avoid the payment of taxes to the Government. Rather, the machinery of law enforcement should be oiled, greased, and speeded up, with the object of letting it be well known to the public that short shrift will be given violators of our tax laws.

Refunding internal-revenue collections.—In the current appropriation act for the Treasury Department, an indefinite appropriation was made for these refunds of tax collections. The language of the bill carrying this appropriation stated that "There is hereby appropriated such amount as may be necessary." Believing in the principle that all appropriations should be stated in a definite amount and subject to definite control by Congress, the committee has made a specific

appropriation out of this item and has provided a total of \$1,231,000,000, to meet these payments. This is a reduction in the budget estimates and is the committee's best estimate as to what these refunds may amount to. With manifestly improved public education and information concerning the procedure and method of filing income-tax returns, coupled with the expectation of several million less taxpayers filing as a result of prospective changes in the tax laws, it is felt that the reduced figure would more nearly approximate the amount required for these rebates than the Bureau's estimate therefor.

COAST GUARD

| Appropriation for 1947 | Budget estimate for 1948 | Recommended in bill for 1948 | Increase (+) or decrease (-), bill compared with 1947 appropriation | Increase (+) or decrease (-), bill compared with 1948 estimates |
|---------------------------|-----------------------------|---------------------------------|---|---|
| \$116, 226, 000 | \$132, 904, 400 | \$97, 000, 000 | —\$19, 226, 000 | —\$35, 904, 400 |

In 1938—10 years ago—the total appropriation for the Coast Guard was a little less than \$25,000,000. Through the intervening years since that date, functions performed by other agencies of the Government, such as the old Lighthouse Service and the former Bureau of Marine Inspection and Navigation, were transferred and absorbed by the Coast Guard. For the fiscal year 1948, the committee was presented with a budget estimate of \$133,000,000, in round numbers, to carry on the activities of this agency.

Giving due consideration to the fact that the Coast Guard today performs many duties additional to those undertaken 10 years ago, the fact remains that, even making allowance for these added burdens, the appropriations have grown by leaps and bounds and the day has arrived for a reevaluation by Congress of the role that the Coast Guard should play in the matter of providing services. The committee is firmly convinced that it was never the intention of Congress that the Coast Guard should become a "blue water" organization extending its functions far beyond the coasts of continental United States. It was never in contemplation of Congress that as a peacetime agency, the Coast Guard should assume the functions of a miniature navy. The very name of the organization bears witness to this view. If it is a coast guard, then a coast guard it should be and unless Congress should determine to broaden its scope and change its name, then a coast guard it should remain. The grandiose designs of the Coast Guard are reflected in the fact that the organization itself requested the Treasury Department to approve an aggregate of \$232,000,000 for operations in 1948. The Treasury Department budget officials reduced this total to \$171,000,000. The Bureau of the Budget then considered the matter and made a further reduction to \$133,000,000—all convincing evidence that the Coast Guard is apparently completely devoid of realization of the urgent need for economical administration of Government to protect the country's fiscal destiny.

The committee feels that the amount suggested here will be sufficient to carry on the search and rescue operations, and to maintain properly domestic aids to navigation. It will also be sufficient to

continue the work of the Bureau of Merchant Marine Inspection, but greater efficiency in this work must be shown, and with reduced personnel.

Testimony presented to the committee strongly indicates that the Coast Guard is overstaffed with high-ranking officers, and it is the intent of the committee that the number of officers shall be reduced, and that a better distribution of officers in grades be accomplished.

As a means of giving an administrative cushion to the Department in working out a reduction of approximately \$36,000,000 made in the Budget estimates, the committee has appropriated a lump sum of \$97,000,000 for all Coast Guard activities, but has retained the language of each of the previous individual appropriation items and has inserted in each a limitation on the total amount that may be expended for the purposes named. The total of this permissive authority under the various limitations is approximately \$15,000,000 in excess of the appropriation itself. In effecting the retrenchment, therefore, if the Department finds that in order to serve orderly administration it will be necessary to reduce one category of expenditure at a more accelerated rate than another or conversely to apply less proportionate reductions to other items, then this system of limitations within the appropriation will supply some reasonable degree of elasticity and latitude. While the committee has definite thoughts as to items of proposed expenditure that might be drastically reduced or deleted entirely, it will not be the committee's purpose to tie the hands of the Coast Guard in singling out specific items, but rather, will leave to the Coast Guard officials the task of assigning priorities and working out a retrenchment program designed to serve the agency as a completely integrated operating unit.

It is the belief of the committee that Coast Guard procurement should be more closely integrated both with Government procurement, through the Bureau of Federal Supply, as well as with the joint effort of the Army and Navy to devise uniform procurement practices and procedures. The Coast Guard acquires many items of military equipment which could be secured at less cost to the Government by having the acquisition made through Army or Navy procurement channels, where economies of large-scale purchase can be had.

A proposal of new language for 1948 was incorporated in the Budget estimates designed to amend section 7 (a) of the Administrative Procedure Act of 1946. The effect of the language would have been to permit commissioned officers of the Coast Guard, rather than civilians, to conduct certain hearings connected with the operations of the merchant marine. It was represented to the committee that if this language were approved, it would circumvent a future expenditure of upward of \$200,000 which otherwise would eventuate, if amendment of existing law does not take place prior to June 11 of this year. The committee has deleted the proposed language from the bill solely because of the fact that it represents a change in existing legislation and hence, is without the proper purview of the Appropriation Committee. In making the elimination, however it is to be understood that the committee neither approves nor disapproves the legislative proposal involved in the proposed change. This is an important matter, and it is to be hoped that the Treasury Department will make prompt representation to the appropriate legislative committee of the House, in order that due consideration can be given to

the merits of the proposal prior to the date (June 11, 1948) when the provisions of the Administrative Procedure Act becomes applicable to this question.

TITLE II—POST OFFICE DEPARTMENT

The committee has recommended appropriations totaling \$1,530,733,250 for the Post Office Department for fiscal 1948. This is a reduction of \$14,356,000, less than 1 percent, from the estimates submitted by the Department, and is \$7,642,069 less than the Post Office appropriation and estimated deficiencies for 1947. The amount carried in this bill for 1948 is sufficient to cover all pay increases provided by the Seventy-ninth Congress, and it is pointed out that salaries constitute 80 percent of the Department's obligations. No essential services will be curtailed if the committee's recommendations are adopted.

It should be noted that almost invariably the Post Office Department's advance estimates of revenues have generally been considerably higher than the actual final figures. In 1946 revenues were \$78,000,000 less than the Department's midyear estimates. A table showing the difference between estimated and actual revenues for the period 1926-46 appears on page 6 of the hearings. If the Department's estimates for 1948 are of the same character as estimates heretofore presented, the committee believes it safe to assume that revenues for both 1947 and 1948 will be somewhat less than the amounts now suggested by the Department. The committee has borne this in mind and has adjusted items in the bill to meet the situation.

During the past 20 years, the expenditures of the Post Office Department have exceeded the postal revenues in all but 3 years. On the basis of the appropriations carried in this bill, and the revenues as estimated at present by the Department, it is anticipated that the postal deficit in fiscal 1948 will be more than \$335,000,000, or approximately \$35,000,000 more than the expected 1947 deficit. When considering methods of reducing this deficit it must be borne in mind that it can only be done through both a reduction in expenditures and an increase in revenues, and not by either one alone. This subcommittee has made recommendations to the appropriate legislative committee that measures to increase the postal revenues be given consideration at the earliest possible date.

Many classes of mail are not self-supporting at the present time, nor are some of the special services, such as special-delivery mail and postal money orders. It can also be pointed out that revenues from handling penalty mail for Government agencies (for which the Post Office bills the various departments and agencies of the Government at the rate of \$18.50 per thousand letters) are paid directly into the Treasury and are not credited as postal revenues. In 1946 the Post Office Department expended \$29,709,039 for handling penalty mail for Government agencies, other than military services. Had full postage been paid on this mail the revenues of the Post Office Department would have been increased by \$98,260,942. It might also be noted that the Post Office Department is responsible for and charged with the expense of maintaining Federal buildings throughout the country, and that in many instances these buildings are occupied in

part by other Government agencies which do not pay rent or bear any share in the cost of maintenance.

In striving to reduce expenditures, the committee has been mindful of the fact that the post office is a service agency and its successful and efficient operation touches on the daily lives of all the people in the United States, and of our service personnel abroad. In view of the greatly increased volume of mail and of the increased administrative burdens caused by recent legislation and the reconversion to peacetime operations, no major reduction in expenditures can be made for 1948 without impairing essential service. To that extent, the committee has been limited in instituting reductions.

The Post Office Department is, with one exception, the biggest business in the world. Its over-all efficiency is commendable. Yet no private business could long survive with successive deficits such as this agency has produced and the citizens of the country have a right to expect that this situation will be corrected. Most of those officials who testified before the committee declared that they would produce savings in 1948. These savings must be made so that the Department does its share in eliminating the deficit. The estimates submitted for 1949 should reflect this attitude.

DEPARTMENTAL APPROPRIATIONS

| Appropriation for 1947 and estimated deficiency | Budget estimate for 1948 | Recommended in bill for 1948 | Increase (+) or decrease (-), bill compared with 1947 appropriation | Increase (+) or decrease (-), bill compared with 1948 estimates |
|---|--------------------------|------------------------------|---|---|
| \$8,097,179 | \$8,329,100 | \$7,640,500 | -\$456,679 | -\$688,600 |

(The 1947 figure includes all pay increases granted by the 79th Cong.)

Included under this heading are the salaries for the offices of the Postmaster General and his four assistants; the Solicitor; purchasing agent; chief inspector, Bureau of Accounts, and Office of Budget and Administrative Planning, as well as travel expenses for these officers, printing and binding, damage claims, and contingent expenses.

Small reductions have been made in almost all these items, with the exception of the Office of the Budget and Administrative Planning, and travel expenses for the Postmaster General and his assistants, for which only \$3,000 was requested. The Office of the Budget and Administrative Planning requested and was allowed \$59,500, which the committee felt was a small sum in view of the work this Office does to promote the efficiency of the department. A work simplification program for the service has been undertaken by this Office, and already has resulted in savings. This program should be continued and expanded, and adequate rewards should be given promptly to those employees in the service who contribute worth-while ideas.

In each of the offices of the Postmaster General and his assistants, with the exception of the Third Assistant, there are numerous persons engaged in personnel work, and in some cases this number has increased as much as 200 percent in the past 10 years. While the reductions applied by the committee were in almost all cases sufficiently small to be absorbed by more efficient administrative procedures, should any

reduction in force be required, it is felt that such reductions could be best made in the numbers of personnel workers. The amount required for public relations and publicity work is also considered higher than necessary. Reductions and savings can and should be made.

The Solicitor submitted requests for \$314,000, almost \$100,000 more than received by that office last year, in order to reorganize his office. This reorganization has the approval of the committee for it appears that this work was poorly and inefficiently handled in the past. The committee is particularly disturbed by the fact that in former years the post office has not been actively represented in cases before the Civil Aeronautics Board involving certification of air-mail routes and the fixing of rates for carrying air mails. Testimony indicates that this failure has cost the United States hundreds of thousands of dollars. In the future proper safeguards must be maintained, and the Department must be represented at such hearings as would affect air-mail transport and air-mail rates. However, the amount requested for this office was not allowed in full, since it was felt that the reorganization should be attempted with fewer personnel additions. Greater increases might be allowable after the reorganization has been accomplished, if it is then established that sufficient funds are not provided to carrying out properly the duties assigned this office.

The chief inspector was not granted his full request. It is believed that the efficiency of this office would not be impaired by a slight reduction in personnel, provided that reduction was made in the administrative rather than the investigating staff.

The purchasing agent of the Department has been able to effect savings. It is suggested that the schedules of the Federal Bureau of Supply be used to the fullest possible extent in purchases for the Post Office Department.

The work of the Bureau of Accounts has shown some decrease and in preparing its estimates the Department made allowances for this. An additional reduction was made by the committee since a further decline in the work load is to be expected as war work is completed.

Economies must be practiced in purchasing furnishings and fixtures for the departmental offices. Such economies are possible, equipment can be made to last longer and can be more fully utilized. With this in mind a reduction has been made in the Department's estimates. A reduction has also been made in the estimates for printing and binding but elimination of waste and the practice of economy will assure that sufficient work along these lines can be done.

Until the Federal Tort Claims Act has been in effect for a longer period, it is not possible to do more than estimate the cost of this item. The amount granted for such claims in 1948 is more than \$100,000, which is the committee's best estimate after receiving testimony from departmental officials.

INSPECTION SERVICE

| Appropriation for 1947 and estimated deficiency | Budget estimate for 1948 | Recommended in bill for 1948 | Increase (+) or decrease (-), bill compared with 1947 appropriation | Increase (+) or decrease (-), bill compared with 1948 estimates |
|---|--------------------------|------------------------------|---|---|
| \$6,367,100 | \$6,744,400 | \$6,493,000 | +\$125,900 | -\$251,400 |

Largest item in the appropriations for the Inspection Service is salaries for inspectors, for which \$4,300,000 is carried in this bill. This is sufficient to meet all pay increases granted by the Seventy-ninth Congress, plus \$157,647 to provide for statutory promotions. The value of the Inspection Service cannot be underestimated, and it is felt that money appropriated for this Service is a wise investment.

The amount carried in the bill for clerks at division inspection headquarters, \$1,178,000, is a reduction from the estimates and is below the 1947 obligations. Additional personnel requested have been disallowed, and some reduction in force will be required, but it is felt that greater utilization can be made by postal inspectors of clerks at local post offices, on a part-time basis only, rather than maintaining large clerical staffs which were built up during the war at division headquarters. Every effort should be made by the Department to see that the number of clerks engaged in this work is reduced at the earliest possible date.

Other items under this heading are travel for inspectors and payments of rewards, both of which are carried at their 1947 figure.

FIELD SERVICE

OFFICE OF FIRST ASSISTANT POSTMASTER GENERAL

| Appropriation for 1947 and estimated deficiency | Budget estimate for 1948 | Recommended in bill for 1948 | Increase (+) or decrease (—), bill compared with 1947 appropriation | Increase (+) or decrease (—), bill compared with 1948 estimates |
|---|--------------------------|------------------------------|---|---|
| \$1, 045, 185, 490 | \$1, 062, 811, 450 | \$1, 059, 054, 750 | +\$13, 869, 260 | —\$3, 756, 700 |

(The 1947 figure includes all pay increases granted by the 79th Cong.)

Under the Bureau of the First Assistant Postmaster General come all postmasters, assistant postmasters, carriers (including city, rural, and village deliveries), and clerks. Fourteen items of appropriation are included under the general heading, and the committee suggests to the Bureau of the Budget that some of these items be consolidated prior to submission of the 1949 estimates.

Major items and the action recommended thereunder, are:

Compensation to postmasters.—The Department recommended some reduction in this item, and the committee, believing that there will be greater lapses and an increased decline in classification of post offices, has further reduced the estimates by \$201,000, leaving \$87,-470,000 for 1948. There are 41,683 postmasters, and the Department allowed only \$65,000 for lapses.

Assistant postmasters.—In allotting \$12,800,000 for this item, the committee has reduced the Department's estimates, but still has allowed \$100,000 more than the 1947 amount. It is not the intention of the committee to increase the number of assistant postmasters in second-class post offices, where clerks are competent and able to perform such duties, and all funds for this purpose have been eliminated. It is also suggested that the appropriate legislative committee consider the advisability of limiting the appointment of assistant postmasters in the smaller second-class post offices. In the absence of such legislation, and in the interests of economy, the committee is restricting

the appropriation in such manner as to prevent assignment of assistant postmasters to these smaller offices.

Clerks, first- and second-class post offices.—It is proposed that \$487,000,000, or \$9,784,000 more than 1947, be appropriated for fiscal 1948. The committee has eliminated funds for new positions and believes that careful supervision will reduce expenditures for overtime and substitute employment. The Department must proceed cautiously when filling future vacancies for the committee does not look with favor on further increases in this item, and strongly urges the Department to effect retrenchments prior to submitting estimates for the 1949 appropriation bill.

Clerks, third-class post offices.—Although about \$500,000 more than in 1947 is allowed in 1948, for a total of \$24,000,000, requests for large numbers of additional clerks have not been allowed. The conversion of these positions to the new classification system has proceeded more slowly than was anticipated and the committee believes the amount herein should prove adequate. Allocations should be so administered as to prevent a deficiency in this item.

City delivery service.—Including all pay increases allowed in 1947, this service has estimated obligations of about \$288,000,000 for the current year, and the committee recommends increasing this sum by \$7,300,000 in 1948. The estimates included funds for 200 new positions. It is not felt that these are necessary, and the committee has accordingly reduced the amount of the appropriation. The item as reported makes provision for all salary increases and promotions according to law.

Rural delivery service.—In allowing \$129,167,000 for rural delivery service in 1948, a full continuance of present service and some extensions as required by law will be possible. Modern modes of transportation have made as much change in the rural delivery service as in any other phase of Government activity. The average length of rural routes today is twice what it was prior to the advent of automobiles and improved roads. However, there are many money-saving consolidations of routes and other such adjustments made possible by improved conditions, to which the Post Office Department should give urgent attention. It is the committee's opinion that if full advantage is taken of these money-saving measures, it will be possible to render all required service and at the same time avoid adding 150 additional carriers to the list as proposed in the budget estimates. Therefore a reduction of \$200,000 has been made in the estimates. Furthermore, a careful survey with the view to accomplishing every possible consolidation should result in a materially reduced appropriation for 1949 and subsequent fiscal years.

Special-delivery service.—Within the last 2 years special-delivery carriers have been transferred from a fee basis to a salary basis and now are also paid an allowance of 75 cents per hour for use of their automobiles. Abuse of this allowance provision and of the change from fee to salary might well result not only in excessive cost to the Government but in less efficient service. In its study of the expenditures of the Post Office Department the committee has observed that the rate paid special-delivery carriers for the use of their automobiles under this act is in excess of the amount which is paid on contract for other vehicles, and is apprehensive that the statutory rate of 75 cents per hour for one character of service may result in increased

costs for similar vehicles for other postal purposes. It is therefore suggested that this situation be thoroughly studied by the appropriate legislative committee with a view toward effecting an equitable adjustment. Meanwhile, all postmasters should be instructed to supervise this service most thoroughly, both in the interests of economy and efficiency.

Village-delivery service.—For this, \$300,000 is allowed for 1948. The Department is to be commended for not extending this service and it is hoped that at an early date adjustments can be made to accommodate those now receiving it so that this item can be eliminated.

Miscellaneous items, first- and second-class post offices.—The sum of \$3,600,000 is allotted for 1948, a reduction of \$357,000 from the requested amount. In arriving at this figure, the committee believes that marked reductions can be made in the amounts requested for travel and communications, for which a total of more than \$1,390,000 was asked. The reduction should not be enforced entirely against cleaning allotments at this time although the Department should study means by which present standards of cleanliness can be improved with a reduced force.

Contract stations.—Contract stations have always been the source of considerable revenue to the postal service at a minimum of expenditure. The number of stations in recent years has been reduced on account of the inability of department stores and other such business institutions, which formerly maintained postal stations at very little cost to the Post Office Department, to secure the necessary personnel to maintain them. The result has been the closing of many such stations. It is expected that as normal business conditions are restored it will again be possible for the Post Office Department to take advantage of these stations. Such an expansion is considered extremely advisable, and the amount carried in this bill is \$400,000 more than 1947. It has been demonstrated that contract stations are not only money makers for the Post Office, but that they also are a convenience to the public, and every effort should be made to increase their number if it can be done without disproportionate increases in costs under present conditions.

FIELD SERVICE, SECOND ASSISTANT POSTMASTER GENERAL

| Appropriation for 1947 and estimated deficiency | Budget estimate for 1948 | Recommended in bill for 1948 | Increase (+) or decrease (—), bill compared with 1947 appropriation | Increase (+) or decrease (—), bill compared with 1948 estimates |
|---|--------------------------|------------------------------|---|---|
| \$350,931,900 | \$339,886,400 | \$334,595,000 | —\$16,336,900 | —\$5,541,400 |

(The 1947 figure includes all pay increases granted by the 79th Cong.)

This heading includes star-route services, railway mail, air mail, and mail to foreign countries. Except for salaries of railway mail clerks, the appropriation is made up almost entirely of contractual costs for the transportation of mail. Of the above recommended sum, \$254,505,000 is for railway mail service, and \$18,515,000 for foreign mail, both of which will be dealt with in separate subheads.

Star-route service (except Alaska).—Although the amount included in this bill for this service in 1948, \$22,500,000, is \$1,079,000 more than estimated obligations for 1947, it is a reduction from the estimates which contemplate an increase of \$693,000 in the cost of contracts which will be readvertised on July 1, plus an additional amount of \$114,000 for the cost of readvertisement of routes. These figures are highly speculative and the committee is not convinced that the full amount of this increase will be realized. Furthermore, some savings can be made through elimination of several routes that are operated for convenience rather than necessity, and the Department is directed to make a survey of all routes with that idea in mind, so that greatly reduced estimates, which will not necessitate the reduction of essential service can be submitted for 1949.

The highway post office service is paid for out of this appropriation and it is the committee's intention that none of these reductions should be applied to this program, although some savings can be made in the amount requested for the purchase of additional equipment for such work. The service was operating on an experimental basis in a few localities prior to the war and has been found to meet postal requirements at a low cost. It is the committee's feeling that its development should be encouraged wherever it may be found advisable.

Domestic air mail.—The appropriation for 1947 was \$49,000,000, but there is an estimated saving of \$15,262,000 which leaves an actual cost in 1947 of \$33,738,000. This saving resulted from a lesser volume of mail than was anticipated at the time estimates for 1947 were made. The volume has been greatly increased since the Department's reduction in the rate from 8 cents to 5 cents per ounce, effective October 1, 1946. Post-office officials state that the increase has not yet been as large as they expected it to be. The estimate for 1948 contemplated an increase over actual costs in 1947 of \$4,000,000. This estimate was made at the time when there was greater optimism concerning the volume of mail to be produced by the reduction in rate than present trends indicate will be the case. The committee has, therefore, reduced the estimate by \$850,000. The Civil Aeronautics Board fixes the rate for carrying the mail on the air lines. The Solicitor of the Department has undertaken a program of better representation before the CAB at postal-rate hearings, and he has indicated that this will permit further savings. Even though mail volume exceeds present indications, this should make possible a reduction in costs in 1949.

RAILWAY MAIL SERVICE

| Appropriation for 1947 and estimated deficiency | Budget estimate for 1948 | Recommended in bill for 1948 | Increase (+) or decrease (−), bill compared with 1947 appropriation | Increase (+) or decrease (−), bill compared with 1948 estimates |
|---|--------------------------|------------------------------|---|---|
| \$256, 294, 500 | \$256, 802, 400 | \$254, 505, 000 | −\$1, 772, 500 | −\$2, 297, 400 |

The two principal items making up this total are the costs of transporting mail by train, which is in accordance with rates fixed by the Interstate Commerce Commission, and the salaries of railway mail

clerks. The Department proposed some reduction in the amount appropriated for costs of transportation and the committee has made a further reduction because the increased volume of mail the Department visualizes is not expected to materialize.

During the war the seriously disrupted train schedules and attendant delays caused the cost of overtime paid to railway mail clerks to become a large factor in the appropriation for their salaries. This item cost \$2,700,000 in fiscal 1946. The amount was considerably reduced for 1947, to \$2,088,000, but the estimates project the sum of \$1,800,000 for this purpose in 1948. Railroad schedules are not yet back to normal in every respect, but operating conditions are rapidly resuming a peacetime status. There is every reason to believe that the amount of overtime because of delayed trains will be far less than anticipated by the budget estimates. Most of the reduction from the estimates should be readily absorbed in this overtime item. Since \$104,000,000, an increase of \$890,000 over 1947, is carried in this bill for salaries of railway mail clerks, there should be ample funds to meet all other obligations.

FOREIGN MAIL

| Appropriation for 1947 and estimated deficiency | Budget estimate for 1948 | Recommended in bill for 1948 | Increase (+) or decrease (-), bill compared with 1947 appropriation | Increase (+) or decrease (-), bill compared with 1948 estimates |
|---|--------------------------|------------------------------|---|---|
| \$21,921,400 | \$19,816,000 | \$18,515,000 | -\$3,406,400 | -\$1,551,000 |

Included under this heading are the costs of shipping mail abroad by ship and plane, payments to foreign countries for handling United States mails abroad, and indemnities for loss of mail shipped abroad.

During the war almost all mail going outside the continental United States was transported in Government ships at no cost to the postal service. During the current fiscal year costs are now at an all-time high. This has been brought about largely by mailing of relief packages to European countries, a class of business which naturally is temporary in character. The Department estimates that this load will be materially reduced during the next fiscal year, and has recommended an appropriation approximately one-third below 1947 expenditures. This estimate was made in October. Subsequent experience leads to the conclusion that even a lesser amount should be sufficient.

THIRD ASSISTANT POSTMASTER GENERAL

| Appropriation for 1947 and estimated deficiency | Budget estimate for 1948 | Recommended in bill for 1948 | Increase (+) or decrease (-), bill compared with 1947 appropriation | Increase (+) or decrease (-), bill compared with 1948 estimates |
|---|--------------------------|------------------------------|---|---|
| \$12,764,000 | \$11,175,000 | \$10,300,000 | -\$2,464,000 | -\$875,000 |

The Bureau of the Third Assistant Postmaster General is the fiscal office of the Post Office Department; \$7,400,000 of the appropriation will go for the manufacture of stamps and stamped paper. The remainder of the appropriation is for payment of indemnities on domestic registered and insured mail, and for payment of money orders more than 1 year old. In this later item that Department reported that recent developments suggested a reduction in the estimates. Other reductions can easily be absorbed by efficient administration and prevention of waste.

FOURTH ASSISTANT POSTMASTER GENERAL

| Appropriation for 1947 and estimated deficiency | Budget estimate for 1948 | Recommended in bill for 1948 | Increase (+) or decrease (-), bill compared with 1947 appropriation | Increase (+) or decrease (-), bill compared with 1948 estimates |
|---|--------------------------|------------------------------|---|---|
| \$115,029,650 | \$116,142,900 | \$112,650,000 | -\$2,379,650 | -\$3,492,900 |

The Bureau of the Fourth Assistant Postmaster General has under its jurisdiction all post-office buildings, equipment, and vehicles. Of the totals for this item carried in this bill, \$52,250,000 is for maintenance and equipment of these Federal buildings, and will be discussed under a separate subhead. Other major items are:

Stationery, equipment, and supplies.—The allowance for this item is \$6,500,000 and represents a reduction of \$387,000 from the 1947 obligations. Because of this, the Bureau will have to prevent waste and extravagance in purchase and use of supplies, and to make better and longer use of existing equipment.

Equipment shops.—This item is \$55,000 higher than in 1947, but a reduction has been made from the estimates, which will tend to eliminate new work that might be desirable but not essential.

Rents, light, power, fuel, and water.—The committee has permitted an increase of \$175,000 over 1947 obligations in this item, because of lease renewals at currently higher rates, but has cut down the over-all estimates, leaving \$13,000,000, an ample sum if efficiently administered. Many post-office buildings are rented on a 10-year-lease basis. The committee believes that to enter into 10-year leases with present market conditions is not sound economy, and endorses the announced policy of the Department to avoid these long-term commitments insofar as possible.

Vehicle service.—The sum of \$36,500,000 is carried in this bill for this service. This represents a cut from the 1947 obligations, since the amount requested for new equipment—over \$5,000,000—is excessive at the present time. Purchases can be made in smaller quantities until the market for trucks becomes more stable.

PUBLIC BUILDINGS

| Appropriation for 1947 and estimated deficiency | Budget estimate for 1948 | Recommended in bill for 1948 | Increase (+) or decrease (-), bill compared with 1947 appropriation | Increase (+) or decrease (-), bill compared with 1948 estimates |
|---|--------------------------|------------------------------|---|---|
| \$51,877,650 | \$53,393,000 | \$52,250,000 | +\$372,350 | -\$1,143,000 |

Custodial service, maintenance supplies, and furniture for post-office buildings are included under this heading, the largest item being for custodial service, for which \$44,750,000 is carried in this bill. This represents an increase of more than a half million dollars over the 1947 obligations, to permit statutory promotions. In making a reduction from the estimates it was felt that night work and overtime can be scaled down considerably. The Department should study the entire field of custodial services, with a view toward recommending savings prior to 1949. At the same time, a drive should be instituted to prevent defacing and other acts of vandalism in Federal buildings. The tendency to damage post offices in this way is not only costing the country large sums of money each year, but it is also an unfortunate indication of the respect with which many citizens consider their Government's property.

The other items under this heading are \$6,750,000 for operating supplies, and \$750,000 for furnishings. Both these sums are less than requested, and less than obligations for 1947, but it is the committee's opinion that economies can be effected in expenditures for both items. The character of materials supplied is such as to link them readily to wasteful use, and considerable amounts can be saved through the practice of strictest economy and close supervision of purchases.

COMPARATIVE STATEMENT OF THE APPROPRIATIONS FOR 1947, THE ESTIMATES FOR 1948, AND AMOUNTS
RECOMMENDED IN THE BILL

TITLE I—TREASURY DEPARTMENT

| Object | Appropriations for 1947 | Budget estimates for 1948 | Recommended in bill for 1948 | Increase (+) or decrease (—) bill compared with 1947 appropriations | Increase (+) or decrease (—) bill compared with 1948 estimates |
|--|----------------------------|------------------------------|---------------------------------|--|---|
| OFFICE OF SECRETARY OF TREASURY | | | | | |
| Secretary's office, salaries----- | \$432, 000 | \$489, 000 | \$409, 000 | —\$23, 000 | —\$80, 000 |
| Cost of handling penalty mail----- | 4, 400, 000 | 6, 764, 000 | 6, 700, 000 | +2, 300, 000 | —64, 000 |
| Personal or property damage claims----- | | 20, 000 | 20, 000 | +20, 000 | ----- |
| Refunds under Renegotiation Act----- | 15, 000, 000 | | | —15, 000, 000 | ----- |
| Division of Tax Research----- | 175, 000 | 202, 100 | | —175, 000 | —202, 100 |
| Tax Legislative Counsel----- | 89, 000 | 102, 800 | | —89, 000 | —102, 800 |
| Foreign Funds Control----- | 1, 000, 000 | | | —1, 000, 000 | ----- |
| Division of Research and Statistics----- | 165, 000 | 190, 400 | | —165, 000 | —190, 400 |
| General Counsel's office, salaries----- | 177, 050 | 200, 300 | 450, 000 | +272, 950 | +249, 700 |
| Personnel Division----- | 196, 200 | 227, 000 | 127, 000 | —69, 200 | —100, 000 |
| Health service programs----- | | 138, 700 | 75, 000 | +75, 000 | —63, 700 |
| Chief, clerk, office of, salaries----- | 361, 500 | 444, 600 | 326, 000 | —35, 500 | —118, 600 |
| Miscellaneous expenses----- | 230, 000 | 245, 000 | 225, 000 | —5, 000 | —20, 000 |

| | | | | | |
|--|-----------------------|---------------------------|--------------|---------------|--------------|
| Printing and binding----- | 28, 000 | 35, 000 | 35, 000 | +7, 000 | ----- |
| Treasury buildings: Custodial force, salaries----- | 555, 000 | 677, 600 | 650, 000 | +95, 000 | -27, 600 |
| Total, Office of Secretary of the Treasury, including special items----- | 22, 808, 750 | 9, 736, 500 | 9, 017, 000 | -13, 791, 750 | -719, 500 |
| BUREAU OF ACCOUNTS | | | | | |
| Salaries and expenses----- | 925, 400 | ² 1, 216, 000 | 1, 016, 000 | +90, 600 | -200, 000 |
| Printing and binding----- | 35, 000 | 45, 700 | 60, 000 | +25, 000 | +14, 300 |
| Disbursement, Division of: | | | | | |
| Salaries and expenses----- | 6, 275, 000 | ³ 11, 535, 000 | 9, 935, 000 | +3, 660, 000 | -1, 600, 000 |
| Printing and binding----- | 184, 000 | ⁴ 189, 100 | 170, 000 | -14, 000 | -19, 100 |
| Contingent expenses, public moneys----- | 415, 000 | 400, 000 | 400, 000 | -15, 000 | ----- |
| Relief of indigent of Alaska----- | 19, 000 | 14, 000 | 14, 000 | -5, 000 | ----- |
| Deposit of withheld taxes, salaries and expenses----- | 475, 000 | 475, 000 | 460, 000 | -15, 000 | -15, 000 |
| Recoinage of silver coins----- | 140, 000 | 240, 000 | 200, 000 | +60, 000 | -40, 000 |
| Refund of moneys----- | ⁵ 800, 000 | ⁵ 800, 000 | 700, 000 | -100, 000 | -100, 000 |
| Payment of certified claims----- | ⁵ 800, 000 | ⁵ 800, 000 | 700, 000 | -100, 000 | -100, 000 |
| Total, Bureau of Accounts----- | 10, 068, 400 | 15, 714, 800 | 13, 655, 000 | +3, 586, 600 | -2, 059, 800 |

¹ Includes \$11,500 appropriated in Third Deficiency Appropriation Act, 1946.² Includes \$240,501 previously carried under certain appropriations for the State Department.³ Includes \$296,497 previously carried under certain appropriations for various Government departments.⁴ Includes \$6,500 previously carried under certain appropriations for various Government departments.⁵ Indefinite appropriations—amounts shown are estimates.

Comparative statement of the appropriations for 1947, the estimates for 1948, and amounts recommended in the bill—Con.

TITLE I—TREASURY DEPARTMENT—Continued

| Object | Appropriations for 1947 | Budget estimates for 1948 | Recommended in bill for 1948 | Increase (+) or decrease (—) bill compared with 1947 appropriations | Increase (+) or decrease (—) bill compared with 1948 estimates |
|--|----------------------------|------------------------------|---------------------------------|--|---|
| BUREAU OF THE PUBLIC DEBT | | | | | |
| Administering the public debt----- | \$65, 300, 000 | \$68, 300, 000 | \$64, 800, 000 | —\$500, 000 | —\$3, 500, 000 |
| Distinctive paper for United States securities----- | 775, 000 | 1, 146, 000 | 1, 113, 000 | + 338, 000 | — 33, 000 |
| Total, Bureau of the Public Debt----- | 66, 075, 000 | 69, 446, 000 | 65, 913, 000 | — 162, 000 | — 3, 533, 000 |
| OFFICE OF TREASURER OF UNITED STATES | | | | | |
| Salaries and expenses----- | 4, 750, 000 | ⁶ 5, 485, 000 | 4, 900, 000 | + 150, 000 | — 585, 000 |
| Federal Reserve and National currency, salaries for redemption of (reimbursable)----- | 110, 000 | (⁷) | ----- | — 110, 000 | ----- |
| Printing and binding----- | 215, 000 | ⁸ 156, 000 | 140, 000 | — 75, 000 | — 16, 000 |
| Total, Treasurer's office----- | 5, 075, 000 | 5, 641, 000 | 5, 040, 000 | — 35, 000 | — 601, 000 |
| COAST GUARD | | | | | |
| Salaries, office of commandant----- | 1, 697, 500 | ⁹ 2, 486, 000 | | | |
| Pay and allowances----- | 74, 010, 000 | 82, 326, 000 | | | |
| General expenses----- | 30, 195, 000 | ¹⁰ 37, 016, 000 | | | |

| | | | | |
|---|----------------|----------------|--------------|---------------|
| Civilian employees----- | 2, 281, 000 | 11 4, 428, 000 | | |
| Establishing and improving aids to navigation----- | 3, 390, 000 | 2, 800, 000 | 97, 000, 000 | -19, 226, 000 |
| Acquisition of vessels and shore facilities----- | 1, 375, 000 | 2, 869, 000 | | -35, 904, 400 |
| Retired pay, former Lighthouse Service----- | 976, 000 | 979, 400 | | |
| Salaries, Merchant Marine Inspection----- | 431, 500 | (12) | | |
| Salaries and expenses Merchant Marine Inspection----- | 1, 870, 000 | (13) | | |
| Total, Coast Guard----- | 116, 226, 000 | 132, 904, 400 | 97, 000, 000 | -19, 226, 000 |
| CUSTOMS SERVICE | | | | |
| Salaries and expenses----- | 29, 350, 000 | 36, 000, 000 | 32, 500, 000 | +3, 150, 000 |
| Printing and binding----- | 80, 000 | 100, 000 | 95, 000 | +15, 000 |
| Refunds and draw-backs----- | 5 15, 000, 000 | 5 18, 000, 000 | 15, 000, 000 | -3, 000, 000 |
| Total, Customs Service----- | 44, 430, 000 | 54, 100, 000 | 47, 595, 000 | +3, 165, 000 |
| | | | | -6, 505, 000 |

⁵ Indefinite appropriations—amounts are estimates.

⁶ Includes \$229,145 previously carried under certain appropriations for various Government departments.

⁷ This appropriation proposed for consolidation with item immediately above.

⁸ Includes \$1,050 previously carried under certain appropriations for various Government departments.

⁹ Includes \$497,151 transferred from "Salaries, Merchant Marine Inspection, Coast Guard."

¹⁰ Includes \$274,200 transferred from "Salaries, Merchant Marine Inspection, Coast Guard."

¹¹ Includes \$1,754,818 transferred from "Salaries, Merchant Marine Inspection, Coast Guard."

¹² Proposed for consolidation with appropriation "Salaries, Office of Commandant, Coast Guard."

¹³ Transferred to "Civilian employees, Coast Guard," \$1,754,818 and to "General expenses, Coast Guard," \$274,200.

Comparative statement of the appropriations for 1947, the estimates for 1948, and amounts recommended in the bill—Con.

TITLE I—TREASURY DEPARTMENT—Continued

| Object | Appropriations for 1947 | Budget estimates for 1948 | Recommended in bill for 1948 | Increase (+) or decrease (—) bill compared with 1947 appropriations | Increase (+) or decrease (—) bill compared with 1948 estimates |
|--|----------------------------|------------------------------|---------------------------------|--|---|
| INTERNAL REVENUE BUREAU | | | | | |
| Expenses of assessing and collecting taxes-- | \$184, 700, 000 | \$208, 000, 000 | \$178, 000, 000 | —\$6, 700, 000 | —\$30, 000, 000 |
| Additional income tax on railroads in Alaska----- | 7, 000 | 3, 500 | 3, 500 | —3, 500 | ----- |
| Refunding internal revenue collections----- | \$ 2, 108, 000, 000 | \$ 2, 031, 000, 000 | 1, 231, 000, 000 | —877, 000, 000 | —800, 000, 000 |
| Total, Bureau of Internal Revenue-- | 2, 292, 707, 000 | 2, 239, 003, 500 | 1, 409, 003, 500 | —883, 703, 500 | —830, 000, 000 |
| BUREAU OF NARCOTICS | | | | | |
| Salaries and expenses----- | 1, 300, 000 | 1, 506, 400 | 1, 430, 000 | +130, 000 | —76, 400 |
| Printing and binding----- | 4, 000 | 4, 000 | 4, 000 | ----- | ----- |
| Total, Bureau of Narcotics----- | 1, 304, 000 | 1, 510, 400 | 1, 434, 000 | +130, 000 | —76, 400 |
| BUREAU OF ENGRAVING AND PRINTING | | | | | |
| Salaries and expenses----- | 11, 750, 000 | 13, 500, 000 | 12, 000, 000 | +250, 000 | —1, 500, 000 |
| Printing and binding----- | 5, 500 | 5, 500 | 5, 000 | —500 | —500 |
| Total, Bureau of Engraving and Printing----- | 11, 755, 500 | 13, 505, 500 | 12, 005, 000 | +249, 500 | —1, 500, 500 |

| | | | | | |
|--|-------------|-------------|-------------|-----------|-----------|
| SECRET SERVICE | | | | | |
| Departmental salaries----- | 100, 000 | 110, 000 | 85, 000 | -15, 000 | -25, 000 |
| Printing and binding----- | 8, 000 | 8, 000 | 8, 000 | ----- | ----- |
| Suppressing counterfeiting and other crimes----- | 1, 800, 000 | 2, 047, 000 | 1, 550, 000 | -250, 000 | -497, 000 |
| White House Police, salaries----- | 325, 000 | 372, 900 | 270, 000 | -55, 000 | -102, 900 |
| Uniforms and equipment----- | 9, 000 | 9, 000 | 6, 000 | -3, 000 | -3, 000 |
| Guard force, salaries----- | 825, 000 | 849, 700 | 720, 000 | -105, 000 | -129, 700 |
| Reimbursement to District of Columbia----- | 45, 000 | 68, 500 | 68, 500 | +23, 500 | ----- |
| Total, Secret Service----- | 3, 112, 000 | 3, 465, 100 | 2, 707, 500 | -404, 500 | -757, 600 |
| BUREAU OF THE MINT | | | | | |
| Director's office, salaries and expenses----- | 170, 000 | 191, 250 | 185, 000 | +15, 000 | -6, 250 |
| Freight on bullion and coin----- | 85, 000 | 24, 500 | 22, 500 | -62, 500 | -2, 000 |
| Operation of mints and assay offices----- | 6, 000, 000 | 6, 960, 600 | 6, 250, 000 | +250, 000 | -710, 600 |
| Printing and binding----- | 9, 500 | 10, 500 | 10, 000 | +500 | -500 |
| Total, mints and assay offices----- | 6, 264, 500 | 7, 186, 850 | 6, 467, 500 | +203, 000 | -719, 350 |

Indefinite appropriations—amounts are estimates.

Comparative statement of the appropriations for 1947, the estimates for 1948, and amounts recommended in the bill—Con.

TITLE I—TREASURY DEPARTMENT—Continued

| Object | Appropriations for 1947 | Budget estimates for 1948 | Recommended in bill for 1948 | Increase (+) or decrease (—) bill compared with 1947 appropriations | Increase (+) or decrease (—) bill compared with 1948 estimates |
|--|----------------------------|------------------------------|---------------------------------|--|---|
| BUREAU OF FEDERAL SUPPLY | | | | | |
| Salaries and expenses----- | \$1, 227, 000 | \$1, 635, 200 | \$1, 310, 000 | +\$83, 000 | — \$325, 200 |
| Printing and binding----- | 150, 000 | 185, 000 | 170, 000 | +20, 000 | — 15, 000 |
| Strategic and critical materials, national defense----- | 100, 000, 000 | ----- | ----- | —100, 000, 000 | ----- |
| Total, Bureau of Federal Supply----- | 101, 377, 000 | 1, 820, 200 | 1, 480, 000 | —99, 897, 000 | —340, 200 |
| Total, Treasury Department, title I, regular annual appropriations----- | 2, 681, 203, 150 | 2, 554, 034, 250 | 1, 671, 317, 500 | —1, 009, 885, 650 | —882, 716, 750 |
| PERMANENT APPROPRIATIONS | | | | | |
| General and special funds: | | | | | |
| Interest on deposits of public money of Philippine Islands----- | 2, 546, 216 | 2, 100, 000 | 2, 100, 000 | —446, 216 | ----- |
| Pershing Hall memorial fund----- | 5, 043 | 5, 043 | 5, 043 | ----- | ----- |
| Redemption of bonds from repayment of Public Works Administration loans----- | 8, 000, 000 | 5, 000, 000 | 5, 000, 000 | —3, 000, 000 | ----- |
| Sinking fund----- | 587, 560, 000 | 587, 560, 000 | 587, 560, 000 | ----- | ----- |
| Interest on the public debt----- | 4, 950, 000, 000 | 5, 000, 000, 000 | 5, 000, 000, 000 | +50, 000, 000 | ----- |

| | | | | |
|---|----------------|----------------|----------------|--------------|
| Miscellaneous gifts, forfeitures, etc. | 5,000 | 5,000 | 5,000 | |
| Obligations retired from Federal Intermediate Credit Bank franchise tax receipts | 289,000 | 225,000 | 225,000 | -64,000 |
| Contingent expenses, national currency (reimbursable) | 2,500 | | | -2,500 |
| Total, general and special funds | 5,548,407,759 | 5,594,895,043 | 5,594,895,043 | +46,487,284 |
| Trust funds: | | | | |
| Federal old-age and survivors insurance trust fund | 1,517,800,000 | 2,177,400,000 | 2,177,400,000 | +659,600,000 |
| Unemployment trust fund | 1,261,714,985 | 1,413,673,778 | 1,413,673,778 | +151,958,793 |
| Unclaimed moneys, payment of | 100,000 | 100,000 | 100,000 | |
| Philippine trust fund, coconut oil (internal revenue) | 69,940 | | | -69,940 |
| Puerto Rico trust fund (internal revenue) | 2,600 | 2,600 | 2,600 | |
| Expenses, Prohibition Act, Puerto Rico and Virgin Islands | 93,000 | 105,600 | 105,600 | +12,600 |
| American Samoa trust fund | 2,200 | 2,200 | 2,200 | |
| Total, trust funds | 2,779,782,725 | 3,591,284,178 | 3,591,284,178 | +811,501,453 |
| Total, permanent appropriations, including trust funds | 8,328,190,484 | 9,186,179,221 | 9,186,179,221 | +857,988,737 |
| Grand total, Treasury Department; regular annual, indefinite, and permanent appropriations, including trust funds | 11,009,393,634 | 11,740,213,471 | 10,857,496,721 | -882,716,750 |

Comparative statement of the appropriations for 1947, the estimates for 1948, and amounts recommended in the bill—Con.

TITLE II—POST OFFICE DEPARTMENT

| Object | 1947 appropriations and estimated deficiency | Budget estimates for 1948 | Recommended in bill for 1948 | Increase (+) or decrease (—), bill compared with 1947 appropriations and estimated deficiency | Increase (+) or decrease (—), bill compared with 1948 estimates |
|---|--|---------------------------|------------------------------|---|---|
| POST OFFICE DEPARTMENT, WASHINGTON, D. C. | | | | | |
| <i>Salaries</i> | | | | | |
| Postmaster General, office of----- | \$392, 979 | \$413, 200 | \$375, 000 | —\$17, 979 | —\$38, 200 |
| Office of Budget and Administrative Planning----- | 58, 450 | 59, 500 | 59, 500 | +1, 050 | ----- |
| First Assistant Postmaster General, office of----- | 1, 114, 100 | 1, 161, 000 | 1, 100, 000 | —14, 100 | —61, 000 |
| Second Assistant Postmaster General, office of----- | 898, 400 | 938, 500 | 900, 000 | +1, 600 | —38, 500 |
| Third Assistant Postmaster General, office of----- | 1, 319, 950 | 1, 361, 000 | 1, 325, 000 | +5, 050 | —36, 000 |
| Fourth Assistant Postmaster General, office of----- | 722, 900 | 761, 700 | 700, 000 | —22, 900 | —61, 700 |
| Solicitor's office----- | 220, 250 | 314, 000 | 250, 000 | +29, 750 | —64, 000 |
| Chief inspector's office----- | 411, 800 | 430, 400 | 400, 000 | —11, 800 | —30, 400 |
| Purchasing agent's office----- | 78, 450 | 83, 800 | 78, 000 | —450 | —5, 800 |
| Bureau of Accounts----- | 602, 400 | 516, 000 | 500, 000 | —102, 400 | —16, 000 |
| Total salaries----- | 5, 819, 679 | 6, 039, 100 | 5, 687, 500 | —132, 179 | —351, 600 |

| | | | | | |
|---|-------------|-------------|-------------|-----------|-----------|
| <i>Contingent</i> | | | | | |
| Miscellaneous expenses, Washington----- | 155, 000 | 190, 000 | 145, 000 | -10, 000 | -45, 000 |
| Printing and binding----- | 1, 825, 000 | 1, 731, 000 | 1, 500, 000 | -325, 000 | -231, 000 |
| Total, contingent expenses, Washington----- | 1, 980, 000 | 1, 921, 000 | 1, 645, 000 | -335, 000 | -276, 000 |
| Grand total, Post Office Department, Washington, D. C.----- | 7, 799, 679 | 7, 960, 100 | 7, 332, 500 | -467, 179 | -627, 600 |
| POSTAL SERVICE | | | | | |
| <i>Office of Postmaster General</i> | | | | | |
| Travel and miscellaneous expenses----- | 3, 000 | 3, 000 | 3, 000 | ----- | ----- |
| Personal property claims----- | 214, 000 | 284, 500 | 230, 000 | +16, 000 | -54, 500 |
| Adjusted losses and contingencies----- | 80, 500 | 81, 500 | 75, 000 | -5, 500 | -6, 500 |
| Inspectors: | | | | | |
| Salaries of----- | 4, 101, 700 | 4, 402, 000 | 4, 300, 000 | +198, 300 | -102, 000 |
| Traveling and miscellaneous expenses of----- | 960, 000 | 973, 900 | 960, 000 | ----- | -13, 900 |
| Clerks at headquarters----- | 1, 250, 400 | 1, 293, 000 | 1, 178, 000 | -72, 400 | -115, 000 |
| Rewards, payment of----- | 55, 000 | 75, 500 | 55, 000 | ----- | -20, 500 |
| Total, office of Postmaster General----- | 6, 664, 600 | 7, 113, 400 | 6, 801, 000 | +136, 400 | -312, 400 |

Comparative statement of the appropriations for 1947, the estimates for 1948, and amounts recommended in the bill—Con.

TITLE II—POST OFFICE DEPARTMENT—Continued

| Object | 1947 appropriations and estimated deficiency | Budget estimates for 1948 | Recommended in bill for 1948 | Increase (+) or decrease (-), bill compared with 1947 appropriations and estimated deficiency | Increase (+) or decrease (-), bill compared with 1948 estimates |
|--|--|---------------------------|------------------------------|---|---|
| POST OFFICE DEPARTMENT, WASHINGTON, D. C.—continued | | | | | |
| <i>First Assistant Postmaster General</i> | | | | | |
| Postmasters----- | \$88, 220, 000 | \$87, 671, 000 | \$87, 470, 000 | +\$750, 000 | -\$201, 000 |
| Assistant postmasters----- | 12, 700, 000 | 13, 656, 000 | 12, 800, 000 | +100, 000 | -856, 000 |
| Clerks, first- and second-class post offices-- | 477, 216, 000 | 487, 664, 000 | 487, 000, 000 | +9, 784, 000 | -664, 000 |
| Contract stations----- | 3, 100, 000 | 3, 525, 000 | 3, 500, 000 | +400, 000 | -25, 000 |
| Separating mails at third- and fourth-class post offices----- | 180, 000 | 184, 000 | 180, 000 | ----- | -4, 000 |
| Unusual conditions at post offices----- | 50, 000 | 25, 000 | 25, 000 | -25, 000 | ----- |
| Clerks, third-class post offices----- | 23, 512, 000 | 24, 564, 000 | 24, 000, 000 | +488, 000 | -564, 000 |
| Miscellaneous items, first- and second-class post offices----- | 3, 805, 000 | 3, 957, 000 | 3, 600, 000 | -205, 000 | -357, 000 |
| Village delivery service----- | 325, 000 | 333, 700 | 300, 000 | -25, 000 | -33, 700 |
| Detroit River postal service----- | 12, 990 | 12, 750 | 12, 750 | -240 | ----- |
| Fare and bicycle allowance including special-delivery fare----- | 1, 950, 500 | 1, 900, 000 | 1, 700, 000 | -250, 500 | -200, 000 |

| | | | | | |
|--|---------------|---------------|---------------|-------------|------------|
| Letter carriers, city delivery service----- | 288,000,000 | 295,638,000 | 295,300,000 | +7,300,000 | -338,000 |
| Fees to special-delivery messengers----- | 13,988,000 | 14,314,000 | 14,000,000 | +12,000 | -314,000 |
| Rural delivery service----- | 132,126,000 | 129,367,000 | 129,167,000 | -2,959,000 | -200,000 |
| Total, office of First Assistant----- | 1,045,185,490 | 1,062,811,450 | 1,059,054,750 | +13,869,260 | -3,756,700 |
| <i>Second Assistant Postmaster General</i> | | | | | |
| Inland transportation: | | | | | |
| Star-route service (except Alaska)----- | 21,421,000 | 22,803,000 | 22,500,000 | +1,079,000 | -303,000 |
| Star routes in Alaska----- | 460,000 | 490,000 | 415,000 | -45,000 | -75,000 |
| Steamboat or other powerboat routes---- | 1,600,000 | 1,900,000 | 1,700,000 | +100,000 | -200,000 |
| Railroad routes and mail-messenger service----- | 147,500,000 | 145,777,000 | 145,000,000 | -2,500,000 | -777,000 |
| Railway Mail Service: | | | | | |
| Salaries----- | 103,110,000 | 105,245,000 | 104,000,000 | +890,000 | -1,245,000 |
| Travel allowance to railway postal clerks----- | 5,203,000 | 5,246,000 | 5,000,000 | -203,000 | -246,000 |
| Travel expenses, superintendents, chief clerks, etc----- | 58,000 | 58,000 | 55,000 | -3,000 | -3,000 |
| Rent, light, fuel, etc----- | 423,500 | 476,400 | 450,000 | +26,500 | -26,400 |
| By electric and cable cars----- | 235,000 | 225,000 | 210,000 | -25,000 | -15,000 |
| Foreign mail transportation (excluding foreign air mail)----- | 15,691,000 | 10,301,000 | 9,500,000 | -6,191,000 | -801,000 |

Comparative statement of the appropriations for 1947, the estimates for 1948, and amounts recommended in the bill—Con.

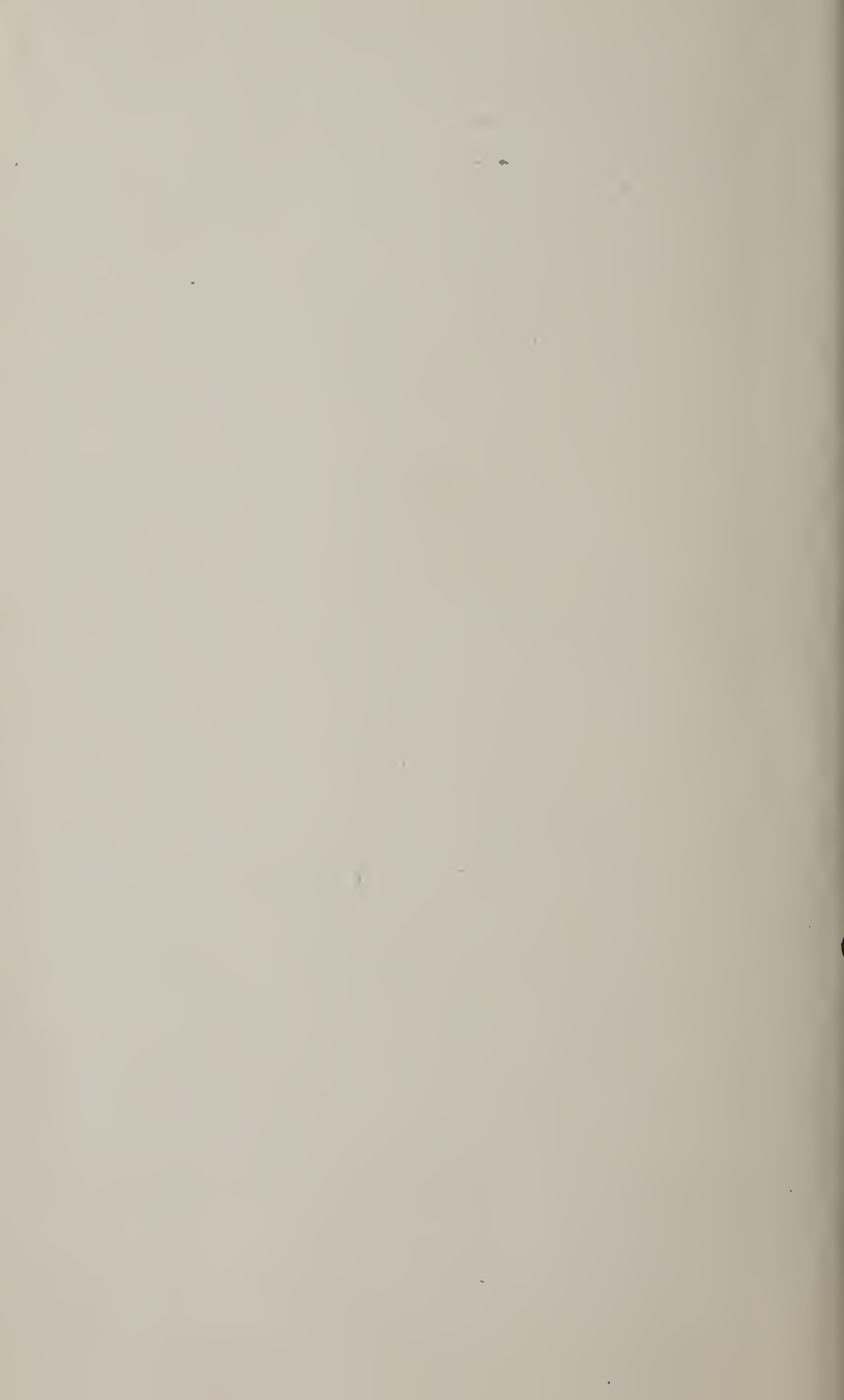
TITLE II—POST OFFICE DEPARTMENT—Continued

| Object | 1947 appropriations and estimated deficiency | Budget estimates for 1948 | Recommended in bill for 1948 | Increase (+) or decrease (-), bill compared with 1947 appropriations and estimated deficiency | Increase (+) or decrease (-), bill compared with 1948 estimates |
|--|--|---------------------------|------------------------------|---|---|
| POST OFFICE DEPARTMENT, WASHINGTON, D. C.—continued | | | | | |
| <i>Second Assistant Postmaster General—Con.</i> | | | | | |
| Foreign countries, balances due----- | (2) | \$3, 500, 000 | \$3, 250, 000 | +\$3, 250, 000 | —\$250, 000 |
| Foreign air-mail transportation----- | \$6, 216, 000 | 6, 000, 000 | 5, 500, 000 | —716, 000 | —500, 000 |
| Indemnities for loss or injury of international mail----- | 14, 400 | 15, 000 | 15, 000 | +600 | ----- |
| Domestic air-mail transportation----- | 49, 000, 000 | 37, 850, 000 | 37, 000, 000 | —12, 000, 000 | —850, 000 |
| Total, Office of Second Assistant----- | 350, 931, 900 | 339, 886, 400 | 334, 595, 000 | —16, 336, 900 | —5, 291, 400 |
| <i>Third Assistant Postmaster General</i> | | | | | |
| Stamps, stamped envelopes, newspaper wrappers, and postal cards----- | 8, 273, 000 | 7, 515, 000 | 7, 400, 000 | —873, 000 | —115, 000 |
| Indemnity for loss of registered mails, etc.-- | 3, 064, 000 | 2, 540, 000 | 2, 300, 000 | —764, 000 | —240, 000 |
| Unpaid money orders----- | 1, 427, 000 | 1, 120, 000 | 600, 000 | —827, 000 | —520, 000 |
| Total, Office of Third Assistant----- | 12, 764, 000 | 11, 175, 000 | 10, 300, 000 | —2, 464, 000 | —875, 000 |

Fourth Assistant Postmaster General

| | | | | | |
|--|-------------------|-------------------|-------------------|-------------------|----------------|
| Stationery, equipment, and supplies----- | 6, 887, 000 | 7, 085, 000 | 6, 500, 000 | -387, 000 | -585, 000 |
| Equipment shops----- | 3, 145, 000 | 3, 600, 000 | 3, 200, 000 | +55, 000 | -400, 000 |
| Rent, light, and fuel----- | 13, 035, 000 | 13, 457, 000 | 13, 000, 000 | -35, 000 | -457, 000 |
| Pneumatic-tube service (New York and Boston)----- | 701, 000 | 701, 900 | 700, 000 | -1, 000 | -1, 900 |
| Vehicle service----- | 38, 864, 000 | 37, 386, 000 | 36, 500, 000 | -2, 364, 000 | -886, 000 |
| Transportation of equipment----- | 520, 000 | 520, 000 | 500, 000 | -20, 000 | -20, 000 |
| Public buildings, maintenance and operation: | | | | | |
| Operating force----- | 44, 184, 700 | 45, 393, 000 | 44, 750, 000 | +565, 300 | -643, 000 |
| Operating supplies----- | 6, 874, 950 | 7, 000, 000 | 6, 750, 000 | -124, 950 | -250, 000 |
| Furniture, etc.----- | 818, 000 | 1, 000, 000 | 750, 000 | -68, 000 | -250, 000 |
| Total, Office of Fourth Assistant----- | 115, 029, 650 | 116, 142, 900 | 112, 650, 000 | -2, 379, 650 | -3, 492, 900 |
| Total, Postal Service----- | 1, 530, 575, 640 | 1, 537, 129, 150 | 1, 523, 400, 750 | -7, 174, 890 | -13, 728, 400 |
| Total, Post Office, departmental----- | 7, 699, 679 | 7, 960, 100 | 7, 332, 500 | -467, 179 | -627, 600 |
| Grand total, Post Office Department----- | 1, 538, 375, 319 | 1, 545, 089, 250 | 1, 530, 733, 250 | -7, 642, 069 | -14, 356, 000 |
| Grand total, titles I and II----- | 4, 219, 578, 469 | 4, 099, 123, 500 | 3, 202, 050, 750 | -1, 017, 527, 719 | -897, 072, 750 |
| Grand total, including permanent appropriations and trust funds----- | 12, 547, 768, 953 | 13, 285, 302, 721 | 12, 388, 029, 971 | -159, 538, 982 | -897, 072, 750 |

¹ Includes \$8,179 appropriated in Third Deficiency Appropriation Act, 1946.² Unexpended balance continued available.¹⁴ Includes \$82,152,850 (H. Doc. No. 100, as amended by H. Doc. No. 157); \$176,642,400 (H. Doc. No. 117).



NOTICE: This bill is given out subject to release when consideration of it has been completed by the Whole Committee. Please check on such action before release in order to be advised of any changes.

IFULL COMMITTEE PRINTI

Union Calendar No.

80TH CONGRESS
1ST SESSION

H. R. 2436

[Report No. 103]

IN THE HOUSE OF REPRESENTATIVES

MARCH 7, 1946

Mr. CANFIELD, from the Committee on Appropriations, reported the following bill; which was committed to the Committee of the Whole House on the State of the Union and ordered to be printed

A BILL

Making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1948, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **TITLE I—TREASURY DEPARTMENT**

4 That the following sums are appropriated, out of any money
5 in the Treasury not otherwise appropriated, for the Treasury
6 Department for the fiscal year ending June 30, 1948,
7 namely:

OFFICE OF THE SECRETARY

Salaries: For personal services in the District of Columbia, \$409,000: *Provided*, That no part of the money appropriated shall be used to pay the salaries of more than eighteen messengers assigned to duty in the Office of the Secretary.

Personal or property damage claims: For payment of claims pursuant to part 2 of the Federal Tort Claims Act of August 2, 1946 (Public Law 601), \$20,000.

Penalty mail costs: For deposit in the general fund of the Treasury for cost of penalty mail of the Treasury Department as required by the Act of June 28, 1944, \$6,700,000.

OFFICE OF GENERAL COUNSEL

Salaries: For personal services in the District of Columbia, \$450,000.

DIVISION OF PERSONNEL

Salaries: For personal services in the District of Columbia, \$127,000.

Health service programs, Treasury Department: For expenses necessary in maintaining health service programs, pursuant to Public Law 658, Seventy-ninth Congress, for

1 employees of the Department in the District of Columbia,
2 \$75,000: *Provided*, That other appropriations in this Act
3 shall be available for health service program in the field as
4 authorized by said Public Law 658.

5 OFFICE OF CHIEF CLERK

6 Salaries: For personal services in the District of Colum-
7 bia, \$326,000.

8 MISCELLANEOUS EXPENSES, TREASURY DEPARTMENT

9 Miscellaneous expenses: For necessary expenses of the
10 Office of the Secretary and the bureaus and offices of the
11 Treasury Department, not otherwise provided for; including
12 operating expenses of the Treasury, Treasury Annex, Audi-
13 tors', and Liberty Loan Buildings; \$225,000.

14 Printing and binding: For printing and binding for the
15 Department except such bureaus and offices as may be other-
16 wise provided for, including materials for the use of the
17 bookbinder, located in the Department, but not including
18 work done at the New York Customhouse bindery authorized
19 by the Joint Committee on Printing in accordance with the
20 Act of March 1, 1919 (44 U. S. C. 111), \$35,000.

21 CUSTODY OF TREASURY BUILDINGS

22 Salaries: For personal services in the District of Colum-

1 bia, including the operating force of the Treasury Building.
2 the Treasury Annex, the Liberty Loan Building, the Audi-
3 tors' Building, and the west and south annexes thereof.
4 \$650,000.

5 FISCAL SERVICE

6 BUREAU OF ACCOUNTS

7 Salaries and expenses: For necessary expenses in the
8 District of Columbia, including contract stenographic report-
9 ing services, \$1,016,000.

10 Salaries and expenses, deposit of withheld taxes: For
11 necessary expenses incident to the deposit of withheld
12 taxes in Government depositories pursuant to the Current
13 Tax Payment Act of 1943, including personal services in
14 the District of Columbia and reimbursement to Federal
15 Reserve banks for printing and other necessary expenses,
16 \$460,000.

17 Printing and binding: For printing and binding, Bureau
18 of Accounts, \$60,000.

19 Salaries and expenses: For necessary expenses of the
20 Division of Disbursement, including personal services in the
21 District of Columbia, \$9,935,000: *Provided*, That with the
22 approval of the Bureau of the Budget there may be trans-
23 ferred to this appropriation and to the appropriation "Print-
24 ing and binding, Division of Disbursement" from Railroad
25 Retirement Board, "Conservation and use of agricultural

1 land resources, Department of Agriculture," and from avail-
2 able corporate funds of Government-owned or -controlled
3 corporations, such sums as may be necessary to cover the
4 expense incurred in performing the function of disbursement
5 therefor.

6 Printing and binding: For printing and binding,
7 Division of Disbursement, including the cost of transporta-
8 tion to field offices of printed and bound material and the cost
9 of necessary packing boxes and packing materials, \$170,000.

10 Contingent expenses, public moneys: For contingent
11 expenses under the requirements of section 3653 of the Re-
12 vised Statutes (31 U. S. C. 545), for the collection, safekeep-
13 ing, transfer, and disbursement of the public money, trans-
14 portation of notes, bonds, and other securities of the United
15 States, transportation of gold coin and gold certificates trans-
16 ferred to Federal Reserve banks and branches, United States
17 mints and assay offices, and the Treasury, after March 9,
18 1933, actual expenses of examiners detailed to examine the
19 books, accounts, and money on hand at the several deposi-
20 tories, including national banks acting as depositories under
21 the requirements of section 3649, Revised Statutes (31
22 U. S. C. 548), also including examinations of cash accounts
23 at mints, \$400,000.

24 Recoinage of silver coins: For expenses necessary to
25 continue the recoinage of worn and uncurrent subsidiary

1 silver coins of the United States now in the Treasury or
2 hereafter received, and to reimburse the Treasurer of the
3 United States for the difference between the nominal or face
4 value of such coins and the amount the same will produce in
5 new coins, \$200,000.

6 Relief of the indigent, Alaska: For the payment to the
7 United States district judges in Alaska (not to exceed 10
8 per centum of the receipts from licenses collected outside
9 of incorporated towns in Alaska), to be expended for the
10 relief of persons in Alaska who are indigent and incapacitated
11 through nonage, old age, sickness, or accident,
12 \$14,000.

13 Refund of moneys erroneously received and covered:
14 For meeting any expenditures of the character formerly
15 chargeable to the appropriation accounts abolished under
16 section 18 of the Permanent Appropriation Repeal Act of
17 1934, approved June 26, 1934, and any other collections
18 erroneously received and covered which are not properly
19 chargeable to any other appropriation, \$700,000.

20 Payment of certified claims: For the payment of claims
21 (not to exceed \$500 in any case) which may be certified
22 during the fiscal year 1948 by the Comptroller General of
23 the United States to be lawfully due, within the limits of,
24 and chargeable against the balances of the respective appropriations
25 heretofore made which, after remaining unex-

1 pending, have been carried to the surplus fund pursuant to
2 section 5 of the Act of June 20, 1874 (31 U. S. C. 713),
3 \$700,000.

4 Payment of unclaimed moneys: For meeting any ex-
5 penditures of the character formerly chargeable to the
6 appropriation accounts abolished under section 17 of the
7 Permanent Appropriation Repeal Act of 1934, approved
8 June 26, 1934, payable from the funds held by the United
9 States in the trust fund receipt account "Unclaimed moneys
10 of individuals whose whereabouts are unknown", \$100,000.

11 BUREAU OF THE PUBLIC DEBT

12 Administering the public debt: For necessary expenses
13 connected with any public-debt operations authorized by
14 the Second Liberty Bond Act, as amended (31 U. S. C.
15 760-762), and with the administration of any public debt
16 or currency issues of the United States with which the Secre-
17 tary of the Treasury is charged, \$64,800,000, to be expended
18 as the Secretary of the Treasury may direct: *Provided*,
19 That from the amount appropriated herein, the Federal
20 Reserve banks and their branches may be reimbursed for
21 expenditures made by them as fiscal agents of the United
22 States on account of public-debt transactions for the account
23 of the Secretary of the Treasury, and advances to the Post-
24 master General may be made in accordance with the pro-
25 visions of section 22 (e) of the Second Liberty Bond Act,

1 as amended (31 U. S. C. 757c (e)), which section shall
2 be construed as applying to this appropriation: *Provided*
3 *further*, That the indefinite appropriation provided by sec-
4 tion 10 of the Second Liberty Bond Act, as amended, shall
5 not be available for obligation during the fiscal year 1948.

6 Distinctive paper for United States currency: For dis-
7 tinctive paper for United States currency, including trans-
8 portation of paper, traveling, mill, and other necessary ex-
9 penses, and salaries of employees and allowance, in lieu
10 of expenses, of officer or officers detailed from the Treasury
11 Department, not exceeding \$50 per month each when ac-
12 tually on duty, \$1,113,000: *Provided*, That in order to foster
13 competition in the manufacture of distinctive paper for
14 United States securities, the Secretary of the Treasury is
15 authorized, in his discretion, to split the award for such
16 paper for the fiscal year 1948 between the two bidders whose
17 prices per pound are the lowest received after advertisement.

18 OFFICE OF THE TREASURER OF THE UNITED STATES

19 Salaries and expenses: For necessary expenses of the
20 Office of the Treasurer, \$4,900,000: *Provided*, That with
21 the approval of the Bureau of the Budget, there may be
22 transferred to this appropriation and to the appropriation
23 "Printing and binding, Office of the Treasurer", from
24 Railroad Retirement Board, "Conservation and use of
25 agricultural land resources, Department of Agriculture," and

1 from available corporate funds of Government owned or con-
2 trolled corporations, such sums as may be necessary to cover
3 the expenses incurred in the clearing of checks, servicing of
4 bonds, handling of collections, and rendering of accounts
5 therefor.

6 Printing and binding: For printing and binding for
7 the Office of the Treasurer, \$140,000.

8 BUREAU OF CUSTOMS

9 Salaries and expenses: For collecting the revenue from
10 customs, for enforcement, under section 102, Reorganization
11 Plan No. III of 1946, of certain navigation laws, for the
12 detection and prevention of frauds upon the customs revenue,
13 and not to exceed \$100,000 for the securing of evidence of
14 violations of the customs and navigation laws; for expenses
15 of transportation and transfer of customs receipts from points
16 where there are no Government depositories; not to exceed
17 \$500 for subscriptions to newspapers; not to exceed \$85,000
18 for stationery; not to exceed \$12,000 for improving, repair-
19 ing, maintaining, or preserving buildings, inspection stations,
20 office quarters, including living quarters for officers, sheds,
21 and sites along the Canadian and Mexican borders acquired
22 under authority of the Act of June 26, 1930 (19 U. S. C.
23 68) ; and for the purchase of one hundred and fifty passenger
24 motor vehicles; for the cost of seizure, storage, and disposition

1 of any merchandise, vehicle and team, automobile, boat, air
2 or water craft, or any other conveyance seized under the
3 provisions of the customs laws; for the purchase of arms,
4 ammunition, and accessories; not to exceed \$826,000 for
5 personal services in the District of Columbia exclusive of
6 ten persons from the field force authorized to be detailed
7 under section 525 of the Tariff Act of 1930; \$32,500,000,
8 of which \$300,000 shall constitute an advance fund to enable
9 the Bureau of Customs to meet obligations incurred by it
10 arising from services rendered to private interests, pending
11 receipt of reimbursements therefrom, which amount shall
12 be returned to the Treasury not later than six months after
13 the close of the fiscal year 1948.

14 Printing and binding: For printing and binding, Bureau
15 of Customs, including the cost of transportation to field offices
16 of printed and bound material and the cost of necessary
17 packing boxes and packing materials, \$95,000.

18 Refunds and draw-backs: For the refund or payment of
19 customs collections or receipts, and for the payment of de-
20 bentures or draw-backs, bounties, and allowances, as author-
21 ized by law, \$15,000,000.

22 BUREAU OF INTERNAL REVENUE

23 Salaries and expenses: For necessary expenses in con-
24 nection with the assessment and collection of internal-revenue

1 taxes and the administration of the internal-revenue laws,
2 including the administration of such provisions of other
3 laws as are authorized by or pursuant to law to be admin-
4 istered by or under the direction of the Commissioner of
5 Internal Revenue, including one stamp agent (to be reim-
6 bursed by the stamp manufacturers) and the employment of
7 experts; the securing of evidence of violations of the Acts,
8 the cost of chemical analyses made by others than employees
9 of the United States and expenses incident to such chemists
10 testifying when necessary; necessary expenses incurred in
11 making investigations in connection with the enrollment or
12 disbarment of practitioners before the Treasury Department
13 in internal-revenue matters, expenses of seizure and sale, and
14 contract stenographic reporting services; for the acquisition
15 of property under the provisions of title III of the Liquor
16 Law Repeal and Enforcement Act, approved August 27,
17 1935 (49 Stat. 872-881), and the operation, maintenance,
18 and repair of property acquired under such title III;
19 purchase (not to exceed thirty-four) and hire of passenger
20 motor vehicles; printing and binding (not to exceed \$2,480,-
21 000) ; stationery (not to exceed \$1,425,000) , and ammunition,
22 \$178,000,000, of which amount not to exceed \$16,530,000
23 may be expended for personal services in the District of
24 Columbia and not to exceed \$100,000 for detecting and

1 bringing to trial persons guilty of violating the internal-
2 revenue laws or conniving at the same, including payments
3 for information and detection of such violation.

4 Additional income tax on railroads in Alaska: For the
5 payment to the Treasurer of Alaska of an amount equal to
6 the tax of 1 per centum collected on the gross annual income
7 of all railroad corporations doing business in Alaska, on busi-
8 ness done in Alaska, which tax is in addition to the normal
9 income tax collected from such corporations on net income,
10 the amount of such additional tax to be applicable to general
11 Territorial purposes, \$3,500.

12 Refunding internal-revenue collections: For refunding
13 internal-revenue collections, as provided by law, including the
14 payment of claims for the prior fiscal years and payment of
15 accounts arising under "Allowance or draw-back (Internal
16 Revenue)", "Redemption of stamps (Internal Revenue)",
17 "Refunding legacy taxes, Act of March 30, 1928", "Repay-
18 ment of taxes on distilled spirits destroyed by casualty", and
19 "Refunds and payments of processing and related taxes",
20 \$1,231,000,000: *Provided*, That a report shall be made to
21 Congress by internal-revenue districts and alphabetically
22 arranged of all disbursements hereunder in excess of \$500 as
23 required by section 3 of the Act of May 29, 1928 (sec. 3776,
24 I. R. C.), including the names of all persons and corpora-

tions to whom such payments are made, together with the amount paid to each.

BUREAU OF NARCOTICS

Salaries and expenses: For expenses, including the securing of information and evidence, necessary to enforce sections 2550-2565; 2567-2571; 2590-2603; 3220-3228; 3230-3238 of the Internal Revenue Code; the Narcotic Drugs Import and Export Act, as amended (21 U. S. C. 171-184); the Act of June 14, 1930 (5 U. S. C. 282-282c and 21 U. S. C. 197-198) and the Opium Poppy Control Act of 1942 (21 U. S. C. Supp. V, 188-188n), including the employment of attorneys; services as authorized by section 15 of the Act of August 2, 1946 (Public Law 600); the costs of chemical analyses made by others than employees of the United States; cost incurred by officers and employees of the Bureau of Narcotics in the seizure, forfeiture, storage, and disposition of property under the Act of August 9, 1939 (49 U. S. C. 781-788), and the internal-revenue laws; hire of motor vehicles; purchase of arms and ammunition; in all, \$1,430,000, of which amount not to exceed \$224,000 may be expended for personal services in the District of Columbia; not exceeding \$10,000 for the collection and dissemination of information and appeal for law observance and law enforcement, including cost of

1 printing, and not exceeding \$10,000 for services or informa-
2 tion looking toward the apprehension of narcotic law violators
3 who are fugitives from justice.

4 Printing and binding: For printing and binding for the
5 Bureau, \$4,000.

6 BUREAU OF ENGRAVING AND PRINTING

7 For the work of engraving and printing, exclusive of
8 repay work United States currency and internal-revenue
9 stamps, including opium orders and special-tax stamps re-
10 quired under the Act of December 17, 1914 (26 U. S. C.
11 1040, 1383), checks, drafts, and miscellaneous work, as
12 follows:

13 Salaries and expenses: For the Director, two Assistant
14 Directors, and other personal services in the District of
15 Columbia, including wages of rotary press plate printers at
16 per diem rates and all other plate printers at piece rates to
17 be fixed by the Secretary of the Treasury, not to exceed the
18 rates usually paid for such work; and other necessary ex-
19 penses, including engravers' and printers' materials and other
20 materials, including distinctive and nondistinctive paper,
21 except distinctive paper for United States currency and
22 Federal Reserve bank currency; purchase of card and con-
23 tinuous form checks; equipment of, repairs to, and mainte-
24 nance of buildings and grounds and minor alterations to
25 buildings; periodicals, examples of engraving and printing,

1 including foreign securities and stamps, and books of refer-
2 ence, not to exceed \$500; traveling expenses not to exceed
3 \$15,000; transfer to the Bureau of Standards for scientific
4 investigations in connection with the work of the Bureau
5 of Engraving and Printing, not to exceed \$15,000;
6 \$12,000,000, to be expended under the direction of the
7 Secretary of the Treasury.

8 Printing and binding: For printing and binding for the
9 Bureau of Engraving and Printing, \$5,000.

10 During the fiscal year 1948 all proceeds derived
11 from work performed by the Bureau of Engraving and Print-
12 ing, by direction of the Secretary of the Treasury, not covered
13 and embraced in the appropriations for such Bureau for such
14 fiscal year, instead of being covered into the Treasury as
15 miscellaneous receipts, as provided by the Act of August 4,
16 1886 (31 U. S. C. 176), shall be credited when received
17 to the appropriations for such Bureau for the fiscal year
18 1948.

19 SECRET SERVICE DIVISION

20 Salaries: For personal services in the District of Colum-
21 bia, \$85,000.

22 Suppressing counterfeiting and other crimes: For neces-
23 sary expenses in detecting, arresting, and delivering into the
24 custody of the United States marshal or other officer having
25 jurisdiction, dealers and pretended dealers in counterfeit

1 money, persons engaged in counterfeiting, forging, and
2 altering United States notes, bonds, national bank notes,
3 Federal Reserve notes, Federal Reserve bank notes, and
4 other obligations and securities of the United States and
5 of foreign governments (including endorsements thereon and
6 assignments thereof), as well as the coins of the United
7 States and of foreign governments, and persons com-
8 mitting other crimes against the laws of the United States
9 relating to the Treasury Department and the several branches
10 of the public service under its control; purchase of seventy-
11 five and hire of motor passenger vehicles; purchase of arms
12 and ammunition; and for the protection of the person of the
13 President and the members of his immediate family and of
14 the person chosen to be President of the United States,
15 \$1,550,000: *Provided*, That of the amount herein appro-
16 priated not to exceed \$15,000 may be expended for the pur-
17 pose of securing information concerning violations of the laws
18 relating to the Treasury Department, and for services or in-
19 formation looking toward the apprehension of criminals, and
20 all vouchers claiming reimbursement from such amount of
21 \$15,000 shall have the approval of the Chief of the Secret
22 Service before payment.

23 White House Police: For salaries of the White House
24 Police as authorized by law (3 U. S. C. 62), \$270,000.

25 For uniforming and equipping the White House Police,

1 including the purchase, issue, and repair of revolvers, and
2 the purchase and issue of ammunition and miscellaneous
3 supplies, to be procured in such manner as the President may
4 determine, \$6,000.

5 Salaries and expenses, guard force, Treasury buildings:
6 For expenses of the guard force for Treasury Department
7 buildings in the District of Columbia, including the Bureau
8 of Engraving and Printing, and elsewhere, including pur-
9 chase, repair, and cleaning of uniforms, purchase of two
10 passenger motor vehicles, and the purchase of arms and
11 ammunition and miscellaneous equipment, \$720,000: *Pro-*
12 *vided*, That not to exceed \$168,925 of the appropriation
13 "Salaries and expenses, Bureau of Engraving and Print-
14 ing", may be transferred to this appropriation to cover serv-
15 ice rendered such Bureau in connection with the protection
16 of currency, bonds, stamps, and other papers of value the cost
17 of producing which is not covered and embraced in the direct
18 appropriations for such Bureau: *Provided further*, That the
19 Secretary of the Treasury may detail two agents of the Secret
20 Service to supervise such force.

21 Printing and binding: For printing and binding for the
22 Secret Service Division, \$8,000.

23 Reimbursement to District of Columbia, benefit pay-
24 ments to White House Police and Secret Service forces: For

1 reimbursement to the District of Columbia on a monthly basis
2 for benefit payments made from the revenues of the District
3 of Columbia to members of the White House Police force
4 and such members of the United States Secret Service Divi-
5 sion as are entitled thereto under the Act of October 14,
6 1940 (54 Stat. 1118), to the extent that such benefit pay-
7 ments are in excess of the salary deductions of such members
8 credited to said revenues of the District of Columbia during
9 the fiscal year 1948, pursuant to section 12 of the Act
10 of September 1, 1916 (39 Stat. 718), as amended, \$68,500.

11 BUREAU OF THE MINT

12 Office of the Director: For personal services in
13 the District of Columbia and for assay laboratory chem-
14 icals, fuel, materials, balances, weights, specimens of
15 coins, ores, and travel and other expenses incident to
16 the examination of mints, visiting mints for the purpose
17 of superintending the annual settlement, and for the collec-
18 tion of statistics relative to the annual production and con-
19 sumption of the precious metals in the United States,
20 \$185,000.

21 Transportation of bullion and coin: For transportation
22 of bullion and coin, between mints, assay offices, and bullion
23 depositories, \$22,500, including compensation of temporary
24 employees and other necessary expenses.

25 Mints and assay offices: For necessary expenses at the

1 mints at Philadelphia, Pennsylvania; San Francisco, Cali-
2 fornia; and Denver, Colorado; the assay offices at New York,
3 New York; and Seattle, Washington, and the bullion deposi-
4 tories at Fort Knox, Kentucky; and West Point, New York,
5 and for carrying out the provisions of the Gold Reserve
6 Act of 1934 and the Silver Purchase Act of 1934, including
7 new machinery and repairs, arms and ammunition, purchase
8 and maintenance of uniforms and accessories for guards, pro-
9 tective devices, and their maintenance, training of employees
10 in use of fire arms and protective devices, purchase of a sta-
11 tion wagon, cases and enameling for medals manufactured, net
12 wastage in melting and refining and in coining departments,
13 loss on sale of sweeps arising from the treatment of bullion and
14 the manufacture of coins, not to exceed \$1,000 for the expen-
15 ses of the annual assay commission, and not exceeding \$1,000
16 for the acquisition, at the dollar face amount or otherwise, of
17 specimen and rare coins, including United States and foreign
18 gold coins and pieces of gold used as, or in lieu of, money,
19 and ores, for addition to the Government's collection of such
20 coins, pieces, and ores; \$6,250,000.

21 Printing and binding: For printing and binding for the
22 Bureau of the Mint, \$10,000.

23 BUREAU OF FEDERAL SUPPLY

24 Salaries and expenses: For necessary expenses, includ-
25 ing personal services in the District of Columbia and in the

1 field service, office supplies and materials, stationery, fuel,
2 light, electric current, and other expenses for carrying into
3 effect regulations governing the procurement, warehousing,
4 and distribution by the Bureau of Federal Supply of the
5 Treasury Department of property, equipment, stores, and
6 supplies in the District of Columbia and in the field, \$1,-
7 310,000: *Provided*, That the Secretary of the Treasury is
8 authorized and directed to transfer to this appropriation
9 from any appropriations or funds available to the several
10 departments and establishments of the Government such
11 amounts as may be approved by the Bureau of the Budget,
12 not to exceed the sum of (a) the amount of the annual com-
13 pensation of employees who may be transferred or detailed
14 to the Bureau of Federal Supply, respectively, from any such
15 department or establishment, where the transfer or detail of
16 such employee is incident to a transfer of a function or
17 functions to that Bureau and (b) such amount as the Bureau
18 of the Budget may determine to be necessary for expenses
19 other than personal services incident to the proper carrying
20 out of functions so transferred: *Provided further*, That when
21 there has been or shall be transferred from any agency of
22 the Government to the Bureau of Federal Supply any func-
23 tion of warehousing, and the agency from which such
24 function is being transferred is authorized at the time of
25 such transfer to perform functions of procurement, ware-

1 housing, or distribution of property, equipment, stores, or
2 supplies for non-Federal agencies the Bureau of Federal
3 Supply is authorized to continue the performance of such
4 functions for such non-Federal agencies where such functions
5 are to be discontinued by the agency from which the ware-
6 housing function has been transferred, and the receipts, in-
7 cluding surcharge, for all issues to and all advances by all
8 non-Federal agencies shall be credited to the general supply
9 fund: *Provided further*, That payments to the general sup-
10 ply fund for materials, and supplies (including fuel), and
11 services, and overhead expenses for all issues shall be made
12 on the books of the Treasury Department by transfer and
13 counterwarrants prepared by the Bureau of Federal Supply
14 of the Treasury Department and countersigned by the
15 Comptroller General, such warrants to be based solely on
16 itemized invoices prepared by the Bureau of Federal Supply
17 at issue prices to be fixed by the Director of Federal Supply:
18 *Provided further*, That payments covering transactions be-
19 tween the Bureau of Federal Supply and field offices of
20 other Government agencies whose detailed appropriation
21 or fund accounts are maintained elsewhere than within the
22 District of Columbia, may be made on the basis of itemized
23 vouchers or invoices prepared by the Bureau of Federal
24 Supply and sent through the appropriate field offices to the
25 disbursing officers for the agencies involved, who are hereby

1 authorized to make payment based (1) upon certification
2 of the Bureau of Federal Supply, which shall include the
3 specific statement that the vouchers are issued pursuant to
4 and in conformity with purchase orders or requisitions duly
5 executed by the agency billed, and (2) upon approval and
6 certification of such vouchers by the agency billed, which
7 action shall be based upon acceptance of the Bureau of Fed-
8 eral Supply certification as made, subject to later adjustment
9 if necessary, the responsibility of the certifying officer to be
10 limited to the availability of the funds to be charged: *Pro-*
11 *vided further*, That the general supply fund may be used to
12 purchase from or through the Public Printer standard forms
13 and blank-book work for field warehouse stocking and issue,
14 but issues thereof shall be made only to Government agencies
15 and shall be chargeable to applicable appropriation authori-
16 zations or limitations of such agencies for printing and bind-
17 ing, and reports of such issues shall be made as the Public
18 Printer may require: *Provided further*, That advances re-
19 ceived pursuant to law (31 U. S. C. 686) from departments
20 and establishments of the United States Government and the
21 government of the District of Columbia during the fiscal year
22 1948 shall be credited to the general supply fund: *Provided*
23 *further*, That during the fiscal year 1948 there shall be available
24 from the general supply fund for personal services in the District
25 of Columbia not to exceed \$1,520,000: *Provided further*,

1 That per diem employees engaged in work in connection
2 with operations of the fuel yards may be paid rates of pay
3 approved by the Secretary of the Treasury not exceeding
4 current rates for similar services in the District of Columbia:
5 *Provided further*, That the term "fuel" shall be held to
6 include "fuel oil": *Provided further*, That the reconditioning
7 and repair of surplus property and equipment for disposition
8 or reissue to Government service, may be made at cost
9 by the Bureau of Federal Supply, payment therefor to be
10 effected by charging the proper appropriation and crediting
11 the general supply fund.

12 Repairs to typewriting machines (except bookkeeping
13 and billing machines) in the Government service in the
14 District of Columbia and areas adjacent thereto may be made
15 at cost by the Bureau of Federal Supply, payment therefor
16 to be effected by charging the proper appropriation and
17 crediting the general supply fund.

18 No part of any money appropriated by this or any other
19 Act shall be used during the fiscal year 1948 for
20 the purchase, within the continental limits of the United
21 States, of any standard typewriting machines (except book-
22 keeping, billing, and electric machines) at a price in excess
23 of the following for models with carriages which will accom-
24 modate paper of the following widths, to wit: Ten inches
25 (correspondence models), \$77; twelve inches, \$82.50; four-

1 teen inches, \$85.25; sixteen inches, \$90.75; eighteen inches,
 2 \$96.25; twenty inches, \$103.40; twenty-two inches,
 3 \$104.50; twenty-four inches, \$107.25; twenty-six inches,
 4 \$113.85; twenty-eight inches, \$114.40; thirty inches,
 5 \$115.50; thirty-two inches, \$118.25; or, for standard type-
 6 writing machines distinctively quiet in operation, the maxi-
 7 mum prices shall be as follows for models with carriages
 8 which will accommodate paper of the following widths, to
 9 wit: Ten inches, \$88; twelve inches, \$93.50; fourteen
 10 inches, \$99; eighteen inches, \$104.50: *Provided*, That there
 11 may be added to such prices the amount of Federal excise
 12 taxes paid or payable with respect to any such machines.

13 Printing and binding: For printing and binding for the
 14 Bureau of Federal Supply, including printed forms and
 15 miscellaneous items for general use of the Treasury Depart-
 16 ment, the cost of transportation to field offices of printed and
 17 bound material and the cost of necessary packing boxes and
 18 packing materials, \$170,000, together with not to exceed
 19 \$4,000 to be transferred from the general supply fund,
 20 Treasury Department.

21 COAST GUARD

22 For all salaries and expenses of the Coast Guard,
 23 \$97,000,000: *Provided*, That no part of this appropriation
 24 shall be used to pay any enlisted man of the Coast Guard
 25 while detailed for duty at Coast Guard headquarters if such

1 detail increases above thirty the total number of enlisted
2 men detailed to such duty at any time: *Provided further,*
3 That no part of this appropriation shall be used for increased
4 pay for making aerial flights by nonflying officers or ob-
5 servers at rates in excess of those prescribed by law for the
6 Army, which shall be the legal maximum rates as to such
7 nonflying officers or observers: *Provided further,* That ex-
8 penditures out of the foregoing appropriation shall not exceed
9 the limitations set forth in the following categories, namely:

10 Office of Commandant: For personal services at the seat
11 of government, not to exceed \$2,000,000;

12 Pay and allowances: For pay and allowances prescribed
13 by law for commissioned officers, cadets, warrant officers,
14 petty officers, and other enlisted personnel, active and retired,
15 temporary cooks, surfmen, substitute surfmen, and six civilian
16 instructors; retired pay for certain members of the former
17 Life Saving Service authorized by the Act approved April
18 14, 1930 (14 U. S. C. 178a); not exceeding \$10,000 for
19 cash prizes for men for excellence in boatmanship, gunnery,
20 target practice, and engineering competitions; transportation
21 of dependents of Coast Guard personnel on active duty and
22 retired and Reserve officers and of retired and Reserve en-
23 listed personnel, of grades entitled to transportation of de-
24 pendents in the Regular Coast Guard, when ordered to active

1 duty (other than training) and upon relief therefrom; carry-
2 ing out the provisions of the Act of June 4, 1920 (34 U. S.
3 C. 943); not to exceed \$20,000 for cost of special
4 instruction, including books, laboratory equipment and fees,
5 school supplies, and maintenance of students; motion-
6 picture and other equipment for instructional purposes;
7 rations or commutation thereof for cadets, petty officers,
8 other enlisted personnel, and members of the Coast
9 Guard Auxiliary when assigned specific duties under the pro-
10 visions of section 8, Act of February 19, 1941, as amended
11 (14 U. S. C. 267), mileage and expenses allowed by law
12 for officers, including per diem rates of allowance, and the
13 Secretary is hereby authorized to prescribe per diem rates of
14 allowance for Public Health Service officers detailed to the
15 Coast Guard as authorized for Coast Guard officers; actual
16 and necessary expenses or per diem in lieu thereof as the
17 Secretary may determine and approve for Coast Guard per-
18 sonnel on special duty in foreign countries; traveling expenses
19 of other persons traveling on duty under orders from the
20 Treasury Department, including transportation of cadets,
21 enlisted personnel, and applicants for enlistment, with sub-
22 sistence and transfers en route, or cash in lieu thereof; trans-
23 portation in kind and subsistence to discharged cadets;
24 uniform clothing for enlisted men as provided by law
25 (14 U. S. C. 13); clothing for enlisted personnel au-

1 thorized by law; civilian clothing, including an overcoat
2 when necessary, the cost of all not to exceed \$30 per person
3 to enlisted personnel given discharges for bad conduct, un-
4 desirability, unsuitability, or inaptitude; reimbursement in
5 kind or in cash as authorized by law to persons in the Coast
6 Guard for personal property lost, destroyed, or damaged;
7 actual expenses of officers and cadets and quarters and sub-
8 sistence of enlisted personnel on shore patrol, emergency
9 shore detail and other detached duty, or cash in lieu thereof;
10 hire of quarters for officers serving with troops where suf-
11 ficient quarters are not possessed by the United States to
12 accommodate them; hire of quarters for Coast Guard per-
13 sonnel comparable to quarters assignable on a capital ship of
14 the Navy, as authorized by the Secretary to meet emergency
15 conditions, including officers and men on sea duty at such
16 times as they may be deprived of their quarters on board ship
17 due to repairs or other conditions which may render them
18 uninhabitable: *Provided*, That under this authorization no
19 funds may be expended for the hire of quarters for occupancy
20 by the dependents of officers or enlisted personnel; expenses
21 of recruiting for the Coast Guard; advertising for and ob-
22 taining enlisted personnel and applicants for appointment as
23 cadets; training of enlisted personnel, including textbooks,
24 school supplies, and correspondence courses; transfer of
25 household goods and effects of Coast Guard and Coast Guard

1 Reserve personnel on active duty and when ordered to active
2 duty and upon relief therefrom, and the transfer of household
3 goods and effects of deceased Coast Guard and Coast Guard
4 Reserve personnel who die while on active duty, as prescribed
5 by law and regulations; transportation on Government-owned
6 vessels of privately owned automobiles of Coast Guard per-
7 sonnel upon change of station; purchase of provisions for sale
8 to Coast Guard personnel at isolated stations, and the appro-
9 priation reimbursed; and including not to exceed \$50,000
10 for recreation, amusement, comfort, contentment, and health
11 of the enlisted personnel of the Coast Guard, to be expended
12 pursuant to regulations prescribed by the Secretary; appre-
13 hension and delivery of deserters and stragglers; in all, not
14 to exceed \$70,000,000: *Provided*, That money accruing from
15 commutation of rations of enlisted personnel commuted for the
16 benefit of any mess may be paid on proper voucher to the
17 officer in charge of such mess: *Provided further*, That when-
18 ever commissioned officers of the Coast Guard, who were
19 civilian employees of the former Bureau of Marine Inspec-
20 tion and Navigation, resume their status as civilian employees
21 of the Coast Guard, or whenever civilian employees of the
22 Coast Guard, who were employed in the former Bureau of
23 Marine Inspection and Navigation, are commissioned as
24 officers of the Coast Guard, the limitation provided for "Civil-
25 ian Employees, Coast Guard" may be exceeded, with the

1 approval of the Bureau of the Budget, by the amount of their
2 pay as civilian employees and the limitation provided for
3 "Pay and allowances" reduced in a like amount or vice versa,
4 as the case may be;

5 General expenses, Coast Guard: For expenses necessary
6 for the operation and maintenance of the Coast Guard
7 ashore and afloat, except as specifically provided for in
8 other appropriations, including personal services at the seat
9 of government and elsewhere; contract stenographic report-
10 ing services, pursuant to section 15 of the Act of August 2,
11 1946 (Public Law 600) ; printing and binding; purchase of
12 fifty-eight passenger motor vehicles and maintenance, opera-
13 tion, and repair of aircraft; improvement of property for Coast
14 Guard purposes, including rental, purchase, or use of addi-
15 tional land where necessary and the purchase of land for
16 beacons, daymarks, and fog signals; rations and provisions, or
17 commutation thereof, for working parties in the field, officers
18 and crews of light vessels and tenders, and officials and other
19 authorized persons of the Coast Guard on duty on board
20 such tenders or vessels, but money accruing from commuta-
21 tion of rations and provisions for the above-named persons on
22 board tenders and light vessels or in working parties in the
23 field may be paid on proper voucher to the person having
24 charge of the mess of such vessel or party; subsistence and

1 clothing for shipwrecked and destitute persons, including
2 reimbursement, under rules prescribed by the Secretary, of
3 Coast Guard personnel who furnish from their personal
4 stock subsistence and clothing to such persons; for payment
5 of claims authorized under section 1 of Public Law 277,
6 Seventy-ninth Congress, as amended by Public Law 327,
7 Seventy-ninth Congress; not to exceed \$2,500 for contingen-
8 cies for the Superintendent, United States Coast Guard
9 Academy, to be expended in his discretion; payment of
10 rewards for the apprehension and conviction, or for informa-
11 tion helpful therein, of persons found interfering in violation
12 of law with aids to navigation maintained by the Coast
13 Guard; in all, not to exceed \$29,700,000: *Provided*, That
14 the number of aircraft on hand at any one time shall not
15 exceed one hundred and ten exclusive of planes and parts
16 stored to meet future attrition;

17 Civilian employees, Coast Guard: For compensation of
18 civilian employees in the field, including per diem labor,
19 but excluding personnel provided for in the appropriation
20 "General expenses, Coast Guard", not to exceed \$3,600,000;

21 Establishing and improving aids to navigation: For
22 establishing and improving aids to navigation and other
23 works, and for expenditures directly relating thereto, not to
24 exceed \$2,300,000;

1 Acquisition of aircraft, vessels and shore facilities: For
2 the purchase or construction of additional and replacement
3 vessels and their equipment; the purchase of aircraft and
4 their equipment; and the construction, rebuilding, or extension
5 of shore facilities, including the acquisition of sites and
6 improvements thereon when specifically approved by the
7 Secretary, and rental of shore facilities for temporary use;
8 in all, not to exceed \$2,300,000: *Provided*, That not to
9 exceed 4 per centum of the amount of this limitation shall
10 be available for administrative expenses in connection there-
11 with, including personal services at the seat of government;

12 Retired pay, former Lighthouse Service, Coast Guard:
13 For retired pay of certain officers and employees entitled
14 thereto by virtue of former employment in the Lighthouse
15 Service engaged in the field service or on vessels of the
16 Coast Guard, except persons continuously employed in
17 district offices and shops, not to exceed \$1,000,000.

18 No part of any appropriation or authorization in this
19 Act shall be used to pay any part of the salary or expenses
20 of any person whose salary or expenses are prohibited from
21 being paid from any appropriation or authorization in any
22 other Act.

23 This title may be cited as the "Treasury Department
24 Appropriation Act, 1948".

1 TITLE II—POST OFFICE DEPARTMENT

2 The following sums are appropriated in conformity with
3 5 United States Code 361, 380; 39 United States Code 786,
4 for the Post Office Department for the fiscal year ending
5 June 30, 1948, namely:

6 POST OFFICE DEPARTMENT, WASHINGTON, DISTRICT OF
7 COLUMBIA

8 OFFICE OF THE POSTMASTER GENERAL

9 Salaries: For the Postmaster General and other per-
10 sonal services in the office of the Postmaster General in
11 the District of Columbia, including a health program for the
12 Department in Washington as authorized by the Act of
13 August 8, 1946 (Public Law 658), \$375,000.

14 SALARIES IN BUREAUS AND OFFICES

15 For personal services in the District of Columbia in
16 bureaus and offices of the Post Office Department in not to
17 exceed the following amounts, respectively:

18 Office of Budget and Administrative Planning,
19 \$59,500.

20 Office of the First Assistant Postmaster General,
21 \$1,100,000.

22 Office of the Second Assistant Postmaster General,
23 \$900,000.

24 Office of the Third Assistant Postmaster General,
25 \$1,325,000.

1 Office of the Fourth Assistant Postmaster General,
2 \$700,000.

3 Office of the Solicitor for the Post Office Department;
4 \$250,000.

5 Office of the chief inspector, \$400,000.

6 Office of the purchasing agent, \$78,000.

7 Bureau of Accounts, \$500,000.

8 CONTINGENT EXPENSES, POST OFFICE DEPARTMENT

9 For necessary, contingent and miscellaneous expenses
10 not otherwise provided for; purchase of one passenger motor
11 vehicle (not exceeding \$3,000); purchase and exchange of
12 lawbooks and books of reference; newspapers; and travel
13 expenses of the purchasing agent and of the Solicitor and
14 attorneys connected with his office, not exceeding \$1,900;
15 \$145,000.

16 For printing and binding for the Post Office Depart-
17 ment and Postal Service, \$1,500,000.

18 Appropriations hereinafter made for the field service of
19 the Post Office Department, except as otherwise provided,
20 shall not be expended for any of the purposes hereinbefore
21 provided for on account of the Post Office Department in the
22 District of Columbia: *Provided*, That necessary expenses of
23 officials and employees of the Post Office Department and
24 Postal Service, when traveling on official business, may be
25 paid from the appropriations for the service in connection with

1 which the travel is performed: *Provided further*, That appro-
2 priations hereinafter made, except such as are exclusively for
3 payment of compensation, shall be available for expenses in
4 connection with the examination of estimates for appropria-
5 tions in the field including per diem allowances in lieu of
6 actual expenses of subsistence.

7 FIELD SERVICE, POST OFFICE DEPARTMENT

8 OFFICE OF THE POSTMASTER GENERAL

9 Travel expenses, Postmaster General and Assistant
10 Postmasters General: For travel and miscellaneous expenses
11 in the Postal Service, offices of the Postmaster General and
12 Assistant Postmaster General, \$3,000.

13 Damage claims: For the payment of claims for damages
14 to persons or property occurring in the fiscal year 1948, or in
15 prior fiscal years, determined and settled pursuant to the
16 Federal Tort Claims Act, approved August 2, 1946 (Public
17 Law 601), and in accordance with the provisions of the
18 Deficiency Appropriation Act, approved June 16, 1921
19 (5 U. S. C. 392), as amended by the Act approved June
20 22, 1934 (31 U. S. C. 224c), \$230,000.

21 Adjusted losses and contingencies: To pay to postmasters,
22 Navy mail clerks, and assistant Navy mail clerks, Coast
23 Guard mail clerks, Assistant Coast Guard mail clerks, Army
24 mail clerks, and assistant Army mail clerks, or credit them
25 with the amount ascertained to have been lost or destroyed

1 during the fiscal year 1948, or prior fiscal years, through
2 unavoidable casualty resulting from no fault or negligence
3 on their part, as authorized by the Act approved March 17,
4 1882, as amended by the Act approved December 7, 1945
5 (39 U. S. C. 49), \$75,000.

6 OFFICE OF CHIEF INSPECTOR

7 Salaries of inspectors: For salaries of fifteen inspectors
8 in charge of divisions and eight hundred inspectors,
9 \$4,300,000.

10 Travel and miscellaneous expenses: For necessary travel
11 and miscellaneous expenses incurred in the operation of the
12 Post Office Inspection Service, not to exceed \$27,600 for
13 chemical and other investigations, and not to exceed \$500
14 for books of reference, \$960,000.

15 Clerks: For compensation of not exceeding three hun-
16 dred and eighty-nine clerks in the Post Office Inspection
17 Service, \$1,178,000.

18 Payment of rewards: For payment of rewards for the
19 detection, arrest, and conviction of post-office burglars, rob-
20 bers, highway mail robbers, and persons mailing or causing
21 to be mailed any bomb, infernal machine, or mechanical,
22 chemical, or other device or composition which may ignite,
23 or explode, fiscal year 1948 and prior years, \$55,000:
24 *Provided*, That rewards may be paid in the discretion of
25 the Postmaster General, when an offender of the classes

1 mentioned was killed in the act of committing the crime
2 or in resisting lawful arrest: *Provided further*, That no part
3 of this sum shall be used to pay any rewards at rates in
4 excess of those specified in Post Office Department Order
5 28673, dated July 28, 1945: *Provided further*, That of the
6 amount herein appropriated not to exceed \$20,000 may be
7 expended in the discretion of the Postmaster General, for
8 the purpose of securing information concerning violations of
9 the postal laws and for services and information looking
10 toward the apprehension of criminals.

11 OFFICE OF THE FIRST ASSISTANT POSTMASTER GENERAL

12 Compensation to postmasters: For compensation to post-
13 masters, including compensation as postmaster to persons
14 who, pending the designation of an acting postmaster, assume
15 and perform the duties of postmaster in the event of a
16 vacancy in the office of postmaster of the third or fourth
17 class, and for allowances for rent, light, fuel, and equipment
18 to postmasters of the fourth class, \$87,470,000.

19 Compensation to assistant postmasters: For compensa-
20 tion to assistant postmasters at first- and second-class post
21 offices, \$12,800,000.

22 Clerks, first- and second-class post offices: For compen-
23 sation to clerks and employees at first- and second-class post
24 offices, including auxiliary clerk hire at summer and winter
25 post offices, printers, mechanics, skilled laborers, watchmen,

1 messengers, mail handlers, and substitutes, and the maintenance of health programs in the field as authorized by the
2 Act of August 8, 1946 (Public Law 658), \$487,000,000.

4 Contract station service: For contract station service,
5 \$3,500,000.

6 Separating mails: For separating mails at fourth-class
7 post offices, \$180,000.

8 Unusual conditions: For unusual conditions at post
9 offices, \$25,000.

10 Clerks, third-class post offices: For compensation to
11 clerks at third-class post offices, \$24,000,000.

12 Miscellaneous items, first- and second-class post offices:
13 For expenses necessary for the operation and protection of
14 post offices of the first and second classes, and the business
15 conducted in connection therewith, not provided for in other
16 appropriations, \$3,600,000.

17 Village delivery service: For village delivery service in
18 towns and villages having post offices of the second or third
19 class, and in communities adjacent to cities having city
20 delivery, \$300,000.

21 Detroit River service: For Detroit River postal service,
22 \$12,750.

23 Carfare and bicycle allowance: For carfare and bicycle
24 allowance, including special-delivery carfare, cost of transporting carriers by privately owned automobiles to and from
25

1 their routes, at rates not exceeding regular streetcar or bus
2 fare, and purchase, maintenance, and exchange of bicycles,
3 \$1,700,000.

4 City delivery carriers: For pay of letter carriers, City
5 Delivery Service, and United States Official Mail and Mes-
6 senger Service, \$295,300,000.

7 Special-delivery compensation and fees: For compensa-
8 tion and fees to special-delivery messengers, \$14,000,000.

9 Rural Delivery Service: For pay of rural carriers,
10 auxiliary carriers, substitutes for rural carriers on annual and
11 sick leave, clerks in charge of rural stations, tolls and ferriage,
12 and necessary expenses of the Rural Delivery Service, \$129,-
13 167,000, of which not less than \$200,000 shall be available
14 for extensions and new service.

15 OFFICE OF THE SECOND ASSISTANT POSTMASTER GENERAL

16 Star-route service: For inland transportation by star
17 routes (excepting service in Alaska), including temporary
18 service to newly established offices, \$22,500,000.

19 Star Route and Air Mail Service, Alaska: For inland
20 transportation by Star Route and Air Mail Service in Alaska,
21 \$415,000.

22 Powerboat service: For inland transportation by steam-
23 boat or other powerboat routes, including ship, steamboat,
24 and way letters, \$1,700,000.

1 Railroad transportation and mail messenger service: For
2 inland transportation by railroad routes and for mail mes-
3 senger service, \$145,000,000: *Provided*, That separate ac-
4 counts be kept of the amount expended for mail messenger
5 service.

6 Railway Mail Service: For fifteen general superin-
7 tendents, fifteen assistant general superintendents, two
8 assistant general superintendents at large, one hundred and
9 twenty district superintendents, one hundred and twenty
10 assistant district superintendents, and other employees in
11 the Railway Mail Service, \$104,000,000.

12 Railway postal clerks, travel allowance: For travel
13 allowance to railway postal clerks and substitute railway
14 postal clerks, \$5,000,000.

15 Railway Mail Service, travel expenses: For travel
16 expenses of departmental officials and supervisory employees
17 of the Railway Mail Service, and railway postal clerks,
18 \$55,000.

19 Railway Mail Service, miscellaneous expenses: For
20 necessary expenses of the Railway Mail Service not pro-
21 vided for in other appropriations, \$450,000.

22 Electric-car service: For electric-car service, \$210,000.

23 Foreign mail transportation: For transportation of for-
24 eign mails, except by aircraft, \$9,500,000, including not

1 to exceed \$79,200 to cover the cost to the United States
2 for maintaining sea post service on ocean steamships con-
3 veying mails to and from the United States.

4 Balances due foreign countries: For balances due foreign
5 countries, fiscal year 1948 and prior years, \$3,250,000.

6 Indemnities, international mail: For payment of limited
7 indemnity for the injury or loss of international mail in
8 accordance with convention, treaty, or agreement stipula-
9 tions, fiscal year 1948 and prior years, \$15,000.

10 Foreign air-mail transportation: For transportation of
11 foreign mails by aircraft, as authorized by law including
12 the transportation of mail by aircraft between Seattle, Wash-
13 ington, and Fairbanks, Alaska, via intermediate points,
14 \$5,500,000.

15 Domestic Air Mail Service: For expenses necessary for
16 the inland transportation of mail by aircraft, as authorized
17 by law, including not to exceed \$173,000 for supervisory
18 officials and clerks at field headquarters, \$37,000,000.

19 OFFICE OF THE THIRD ASSISTANT POSTMASTER GENERAL

20 Manufacture and distribution of stamps and stamped
21 paper: For manufacture and distribution of stamps and
22 stamped paper, and not to exceed \$30,000 for compensa-
23 tion to employees and other necessary expenses of the United
24 States Stamped Envelope Agency, \$7,400,000.

25 Indemnities, domestic mail: For payment of indemnity

1 for domestic registered, insured, and collect-on-delivery mail,
2 and for failure to remit collect-on-delivery charges, fiscal
3 year 1948 and prior years, \$2,300,000.

4 Unpaid money orders more than one year old: For
5 payment of domestic money orders after one year from the
6 last day of the month of issue of such orders, \$600,000.

7 OFFICE OF THE FOURTH ASSISTANT POSTMASTER GENERAL

8 Post Office stationery, equipment, and supplies: For the
9 purchase, manufacture, repair, and installation of necessary
10 miscellaneous equipment and supplies for the postal service
11 not provided for in other appropriations; accident prevention;
12 for the purchase of atlases and geographical and technical
13 works not to exceed \$1,500; and not exceeding \$136,000
14 for personal services, and not to exceed \$51,400 for salaries
15 of fourteen traveling mechanics; for rental of canceling
16 machines and motors, mechanical mail-handling apparatus,
17 and other labor-saving devices; and for travel expenses;
18 \$6,500,000, of which \$250,000 shall be available exclu-
19 sively for the purchase of modern mechanical postal devices:
20 *Provided*, That the Postmaster General may authorize the
21 sale to the public of post-route maps and rural-delivery maps
22 or blueprints at the cost of printing and 10 per centum
23 thereof added.

24 Equipment shops, Washington, District of Columbia:
25 For the purchase, manufacture, and repair of mail bags

1 and other equipment for the postal service not provided
2 for in other appropriations; accident prevention; necessary
3 expenses for the operation, maintenance, and protection of
4 the mail equipment shops building, grounds, and equipment,
5 and a health program for the shops, as authorized by the
6 Act of August 8, 1946 (Public Law 658) ; \$3,200,000, of
7 which not to exceed \$1,223,000 may be expended for
8 personal services in the District of Columbia and not exceed-
9 ing \$15,000 for the purchase of material and the manufacture
10 in the equipment shops of such small quantities of distinctive
11 equipments as may be required by other executive depart-
12 ments; and for services in Alaska, Puerto Rico, Philippine
13 Islands, Hawaii, or other island possessions.

14 Rent, light, power, fuel, and water: For rent, light,
15 power, fuel, and water, for first-, second-, and third-class
16 post offices, and the cost of advertising for lease proposals
17 for such offices, \$13,000,000.

18 Pneumatic-tube service, New York City and Boston:
19 For rental of not exceeding twenty-eight miles of pneumatic
20 tubes, hire of labor, communication service, electric power,
21 and other expenses for transmission of mail in the city of
22 New York including the Borough of Brooklyn; and for rental
23 of not exceeding two miles of pneumatic tubes, not including
24 labor and power in operating the same, for the transmission
25 of mail in the city of Boston, Massachusetts; \$700,000:

1 *Provided*, That the Acts of April 21, 1902, May 27, 1908,
2 and June 19, 1922 (39 U. S. C. 423), relating to contracts
3 for the transmission of mail by pneumatic tubes or other
4 similar devices shall not be applicable to the city of New
5 York, and the provisions not inconsistent herewith of the
6 Acts of April 21, 1902, and May 27, 1908 (39 U. S. C.
7 423), shall be applicable to the city of Boston.

8 Vehicle service: For the hire, purchase, maintenance,
9 repair, and operation of vehicles for use in the collection,
10 transportation, delivery, and supervision of the mail, includ-
11 ing the repair of vehicles owned by, or under the control of,
12 units of the National Guard and departments and agencies
13 of the Federal Government where repairs are made necessary
14 because of utilization of such vehicles in the Postal Service;
15 the rental of garage facilities; accident prevention; lease of
16 quarters not exceeding a term of ten years for the housing
17 of Government-owned motor vehicles, and including compen-
18 sation to necessary employees in the Motor Vehicle Service,
19 \$36,500,000, of which \$5,400,000 shall be available ex-
20 clusively for the purchase of trucks: *Provided*, That the Post-
21 master General may purchase and maintain from this appro-
22 priation such tractors and trailer trucks as may be required
23 in the operation of the vehicle service: *Provided further*,
24 That no part of this appropriation shall be expended for main-
25 tenance or repair of motor-propelled passenger-carrying

1 vehicles for use in connection with the administrative work
2 of the Post Office Department in the District of Columbia.

3 Transportation of equipment and supplies: For the
4 transportation and delivery of equipment, materials, and
5 supplies for the Post Office Department and Postal Service
6 by freight, express, or motor transportation, and other inci-
7 dental expenses, \$500,000.

8 PUBLIC BUILDINGS, MAINTENANCE AND OPERATION

9 Operating force: For compensation to employees in the
10 custodial service, \$44,750,000.

11 Operating supplies, public buildings: For neces-
12 sary miscellaneous articles, services and supplies, including
13 transportation thereof, required for the operation of com-
14 pleted and occupied public buildings and grounds operated
15 by the Post Office Department, accident prevention,
16 \$6,750,000, which shall not be available for personal services
17 except for, work done by contract, or for temporary
18 job labor under exigency not exceeding at one time the
19 sum of \$250 at any one building: *Provided*, That the
20 Postmaster General is authorized to contract for telephone
21 service in public buildings under his administration by means
22 of telephone switchboards or equivalent telephone switching
23 equipment jointly serving in each case two or more govern-
24 mental activities, where he determines that joint service is
25 economical and in the interest of the Government, and to

1 secure reimbursement for the cost of such joint service from
2 available appropriations for telephone expenses of the bureaus
3 and offices receiving the same.

4 Furniture, carpets, and safes, public buildings: For the
5 procurement, including transportation, of furniture, carpets,
6 safes, safe and vault protective devices, and repairs of same,
7 for use in public buildings which are now, or may hereafter
8 be, operated by the Post Office Department, \$750,000:
9 *Provided*, That excepting expenditures for labor for or in-
10 cidental to the moving of equipment from or into public
11 buildings, the foregoing appropriation shall not be used for
12 personal services except for work done under contract or for
13 temporary job labor under exigency and not exceeding at
14 one time the sum of \$100 at any one building: *Provided*
15 *further*, That all furniture now owned by the United States
16 in other public buildings or in buildings rented by the United
17 States shall be used, so far as practicable, whether or not it
18 corresponds with the present regulation plan of furniture.

19 Deficiency in postal revenues: If the revenues of the
20 Post Office Department shall be insufficient to meet the
21 appropriations made under title II of this Act, a sum equal
22 to such deficiency in the revenues of such Department is
23 hereby appropriated, to be paid out of any money in the
24 Treasury not otherwise appropriated, to supply such defi-
25 ciency in the revenues of the Post Office Department for the

1 fiscal year ending June 30, 1948, and the sum needed
2 may be advanced to the Post Office Department upon
3 requisition of the Postmaster General.

4 During the fiscal year 1948, the Postmaster Gen-
5 eral shall make quarterly reports to the Senate and
6 House Committees on Appropriations, showing for each
7 quarter the amount paid from each appropriation for over-
8 time, the number of employees receiving such overtime, and
9 the number of hours of overtime worked by such employees,
10 together with a statement as to the necessity for such over-
11 time work.

12 This title may be cited as the "Post Office Department
13 Appropriation Act, 1948".

14 TITLE III—GENERAL PROVISIONS

15 SEC. 301. No part of any appropriation contained in
16 this Act shall be used to pay the salary or wages of any
17 person who engages in a strike against the Government
18 of the United States or who is a member of an organization
19 of Government employees that asserts the right to strike
20 against the Government of the United States, or who advo-
21 cates, or is a member of an organization that advocates,
22 the overthrow of the Government of the United States
23 by force or violence: *Provided*, That for the purposes hereof
24 an affidavit shall be considered prima facie evidence that

1 the person making the affidavit has not contrary to the
2 provisions of this section engaged in a strike against the
3 Government of the United States, is not a member of an
4 organization of Government employees that asserts the right
5 to strike against the Government of the United States, or
6 that such person does not advocate, and is not a member of
7 an organization that advocates, the overthrow of the Govern-
8 ment of the United States by force or violence: *Provided*
9 *further*, That any person who engages in a strike against
10 the Government of the United States or who is a member
11 of an organization of Government employees that asserts
12 the right to strike against the Government of the United
13 States, or who advocates, or who is a member of an organ-
14 ization that advocates, the overthrow of the Government
15 of the United States by force or violence and accepts
16 employment the salary or wages for which are paid from
17 any appropriation contained in this Act shall be guilty of
18 a felony and, upon conviction, shall be fined not more than
19 \$1,000 or imprisoned for not more than one year, or both:
20 *Provided further*, That the above penalty clause shall be in
21 addition to, and not in substitution for, any other provi-
22 sions of existing law.

23 SEC. 302. This Act may be cited as the "Treasury and
24 Post Office Departments Appropriation Act, 1948".

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[FULL COMMITTEE PRINT]

Union Calendar No.

80TH CONGRESS
1ST SESSION
H. R.

[Report No.]

A BILL

Making appropriations for the Treasury and
Post Office Departments for the fiscal year
ending June 30, 1948, and for other purposes.

By Mr. CANFIELD

MARCH 7, 1947

Committed to the Committee of the Whole House on
the State of the Union and ordered to be printed

TREASURY AND POST OFFICE DEPARTMENTS APPROPRIATION BILL, 1948

MARCH 7, 1947.—Committed to the Committee of the Whole House on the
State of the Union and ordered to be printed

Mr. CANFIELD, from the Committee on Appropriations, submitted
the following

REPORT

[To accompany H. R. 2436]

The Committee on Appropriations submits the following report in explanation of the accompanying bill making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1948.

The bill embraces regular annual appropriations for these Departments, the estimates for which are to be found: For the Treasury Department on pages 781 to 824, inclusive, of the Budget; and for the Post Office Department, on pages 727 to 747, inclusive, of the Budget.

The several pay bills passed by the Congress in 1946 have materially increased the cost of personal services. Such increases, and particularly those provided for in Public Laws 390, 317, 386, and 577, should be kept in mind when comparing appropriations for fiscal 1948 with those of 1947. For convenient reference, a tabular presentation is made below, showing in addition to 1947 appropriations and amounts recommended for 1948, deficiency estimates now pending before the committee, including those covering the cost of increased compensation.

| | Treasury Department | Post Office Department | Total |
|--|------------------------|---------------------------|--------------------|
| Appropriations, 1947..... | \$2, 681, 203, 150 | \$1, 279, 580, 069 | \$3, 960, 783, 219 |
| Pending deficiency estimates, including cost of increased compensation..... | 41, 076, 500 | 258, 795, 250 | 299, 871, 750 |
| Total, 1947..... | 2, 722, 279, 650 | 1, 538, 375, 319 | 4, 260, 654, 969 |
| Estimates, 1948..... | 2, 554, 034, 250 | 1, 545, 089, 250 | 4, 099, 123, 500 |
| Bill, 1948..... | 1, 671, 317, 500 | 1, 530, 733, 250 | 3, 202, 050, 750 |
| Bill compared with 1947 appropriations plus pending deficiency estimates..... | -1, 050, 962, 150 | -7, 642, 069 | -1, 058, 604, 219 |
| Bill compared with 1948 estimates..... | -882, 716, 750 | -14, 356, 000 | -897, 072, 750 |

¹ Includes \$3,179 appropriated in Third Deficiency Appropriation Act, 1946.

REDUCTIONS IN PERSONNEL

Wherever reductions in appropriations require reductions in personnel it should be stated that such reductions in personnel must be undertaken at the earliest possible date. If it is necessary to dismiss any such persons after June 30, 1947, the Departments must understand that terminal leave costs will be borne by 1948 appropriation. Dismissals prior to June 30, 1947, will require expenditure of 1947 appropriations for terminal leave.

No deficiency estimate for such purpose for either 1947 or 1948 will be entertained.

TITLE I—TREASURY DEPARTMENT

DISCUSSION OF TYPE AND AMOUNT OF APPROPRIATIONS, ESTIMATES, ETC.,
CONTAINED IN ACCOMPANYING BILL

At the outset attention is directed to the fact that of the grand total appropriations of \$10,857,496,721, which will be available for expenditure by the Treasury Department in 1948, under the terms of the accompanying bill and other legislation, only \$1,671,317,500 represents the regular annual appropriations in the bill. The balance, or \$9,186,179,221, represents moneys made available for Treasury Department expenditure by permanent appropriations not subject to the control of the Appropriation Committee.

So that the House may understand the fiscal picture surrounding Treasury operations in 1948, it is pointed out that there are three types of appropriations available to the Treasury Department:

(1) The regular annual appropriations made from the general fund of the Treasury which appear in specific amounts in the accompanying bill.

(2) The so-called permanent appropriations for which Congress at various times has made provision by permitting either fixed or indeterminate sums to become available automatically each year for certain defined purposes. The effect of this procedure is to dedicate the Government to a set expenditure each year for various purposes with no power on the part of the Appropriation Committee to change in any way the availability of these funds.

(3) Trust funds, which represent monies in the Treasury belonging by legal or equitable right to individuals or groups of individuals and which are automatically paid to such persons or groups upon establishment of their right thereto.

The fourth type of appropriations—regular general fund appropriations made in an indefinite amount—no longer appear in the accompanying bill. All regular annual appropriations are now set up on a specific appropriation basis and all requests for indefinite authority to expend funds have been eliminated. It is admitted that there are some arguments for permitting expenditures without limit for certain uncontrollable expenditures, but the committee feels that these arguments must give way to the principle that the Congress should provide specific sums for stated functions and processes of Government, reserving the right to modify any action taken as circumstances may

dictate. Abiding this principle, therefore, the committee has inserted specific sums for five items of appropriation that have been submitted in the Budget in an indefinite amount. These items are:

- (1) Payment of unclaimed monies.
- (2) Refund of monies erroneously collected.
- (3) Payment of certified claims.
- (4) Refunding Internal Revenue collections.
- (5) Custom refunds and draw-backs.

Attention was directed in the preceding paragraph to the fact that this bill carried regular annual appropriations totaling \$1,671,317,500. Of this total, however, it is important to point out that only about \$425,000,000 represents the actual controllable operating expenses of the Treasury Department, the balance, or roughly \$1,245,000,000 being made up of refunds of internal-revenue taxes, custom refunds and draw-backs, and other small refund items, all of a nonoperational character. The President's budget for 1948 contained approximately 503½ million dollars for these controllable operating expenses. By reducing these controllable expenses totals to \$425,000,000, the committee is effecting a positive fixed savings of approximately \$80,000,000. This represents a reduction of approximately 16 percent and, considering the fact that the Treasury Department falls in the category of a so-called service agency, the committee feels that the savings thus effected can be considered substantial.

For the convenience of the House, the following table is inserted to show at a glance the over-all picture as regards the amount of the current year's appropriations, the amount of the estimates, the committee action taken, and comparison with last year's appropriations and the 1948 estimates.

| Type of appropriation | Amount of appropriations for 1947 | Budget estimates for 1948 | Recommended in bill for 1948 | Increase (+) or decrease (−) bill compared with 1947 appropriations | Increase (+) or decrease (−) bill compared with 1948 estimates |
|------------------------------------|-----------------------------------|---------------------------|------------------------------|---|--|
| Regular annual appropriations..... | \$2,681,203,150 | \$2,554,034,250 | \$1,671,317,500 | −\$1,009,885,650 | −\$882,716,750 |
| Permanent appropriations: | | | | | |
| General and special funds..... | 5,548,407,759 | 5,594,895,043 | 5,594,895,043 | +46,487,284 | ----- |
| Trust funds..... | 2,779,782,725 | 3,591,284,178 | 3,591,284,178 | +811,501,453 | ----- |
| Grand total..... | 11,009,393,634 | 11,740,213,471 | 10,857,496,721 | −151,896,913 | −882,716,750 |

Directing attention specifically to the two totals carried in the table above under the heading "Permanent appropriations" it is pointed out that practically the entire total shown under these two heads is made up of four uncontrollable items as follows:

| | |
|--------------------------------------|---------------|
| (1) Statutory debt retirement..... | \$592,790,000 |
| (2) Interest on the public debt..... | 5,000,000,000 |
| (3) Federal old-age trust fund..... | 2,177,400,000 |
| (4) Unemployment trust fund..... | 1,413,673,778 |

Total..... 9,183,863,778

Thus, while the total availability of funds for Treasury Department account looms large, over 90 percent of the total becomes available automatically, as a result of statutory law, and the items shown above are neither a part of the accompanying appropriation bill nor are they within reach of the Appropriations Committee as regards possible amendment or reduction.

Another word of explanation is appropriate. The total carried under the column in the above title under the heading "Budget estimates for 1948" will be found to be \$20,000,000 less than the sum carried in the President's Budget under that heading. This results from the action of the committee in eliminating from the Treasury estimates an item in that sum for subscriptions to the capital stock of the Federal Crop Insurance Corporation. This estimate will subsequently be taken up by either the Agricultural or Corporations Subcommittee of the Appropriation Committee and will be incorporated, at a later date, as an estimate in the appropriate appropriation bill.

The reductions the committee has made in the regular items in the bill are, in the committee's opinion, justified on the basis of evidence submitted to the committee by the various bureau officials, and by other matters coming to its attention. On some few appropriations the action may appear drastic, yet it is the committee's view that no reduction has been made which would curtail any vital public service, and such decreases are justified by the insistent demand of the American public for a decided curtailment in the expenditures of the Federal Government, in order that the stability of our Government might not be threatened by a program of fiscal profligacy.

There has been and is an ever growing demand, and a mandate has been given, that the budget of this country be put in balance and a program of orderly debt retirement instituted. The individual citizen has fully awakened to the fact that he is contributing a sizeable portion of his income to the operations of his National Government, and he is now making a just and long delayed demand for an account of its stewardship. To translate these demands of the citizen taxpayer into results requires that Government officials be inculcated with the understanding and realization that the continuance of their Government is resolved around issues that transcend the mere continuance, on any given level of operation, of any particular agency or function of government. Some strong measures are essential if we are to reduce Government expenditures. Government officers must be put on notice that the citizen has demanded a stop order on all administrative practices that indulge employee idleness and which make a mockery of laws and regulations, designed to insure to the Government, in terms of work production, a reasonable return for the liberal vacation, sick leave, and other privileges extended by the Government to its employees. The committee makes no mass indictment of Government officials for laxity in administration or for employee shortcoming. It is recognized that a majority of the servants of the Government are loyal, hard working, conscientious, and give a day's service for a day's pay. It is known, however, that there is both overstaffing and a degree of unjustifiable indolence manifest in the operations of some Government agencies and bureaus. Scores of letters received daily by the Appropriation Committee bear testimony to this fact. Observation confirms it. The committee is making every

effort to ferret out information that will permit this abuse to be corrected. The task is laborious and, in a sense, a thankless one, but the people have spoken and their will must be served.

In the light of these responsibilities this bill is presented for the consideration of the House. The committee expresses the hope that the membership will give heed to this crystalized public demand and will support the committee recommendations which have been fashioned to that end, after careful and complete study, by a subcommittee unanimous in its findings.

COMMENT ON "DIARY" PREPARED BY FORMER SECRETARY OF THE
TREASURY MORGENTHAU

Shortly prior to the commencement of hearings on the Treasury Department estimates, public attention was focused on the subject of the so-called Morgenthau "diary." As a means of ascertaining just what the facts were with respect to the preparation of this diary, the committee interrogated the present Secretary of the Treasury and members of his staff, on two occasions. Between the time of the Secretary's two appearances before the committee, former Secretary Morgenthau volunteered, at the request of the present Secretary of the Treasury, to make all of his papers available for inspection by Treasury Department personnel to determine whether any papers in the collection should be returned to Government files as official, rather than personal, papers. Questioning on this subject has disclosed that there are several ill-defined and moot questions concerning the entire question of what constitutes official papers and collaterally, how far discretion can properly be reposed in Government officials when separating themselves from Government employment, to retain in their personal possession papers colored with a public interest. The committee feels, therefore, that a review of this subject by the appropriate legislative committee of the House would be in order to the end that the law in this matter may be more clearly defined and the Government's interest adequately protected.

DEPARTMENTAL OFFICES UNDER THE OFFICE OF THE SECRETARY OF THE
TREASURY

| Appropriation for 1947 | Budget estimate for 1948 | Recommended in bill for 1948 | Increase (+) or decrease (-), bill compared with 1947 appropriation | Increase (+) or decrease (-), bill compared with 1948 estimates |
|---------------------------|-----------------------------|---------------------------------|---|---|
| \$22, 808, 750 | \$9, 736, 500 | \$9, 017, 000 | -\$13, 791, 750 | -\$719, 500 |

(Two large items which were included above in the 1947 appropriation: \$15,000,000 for refunds under Renegotiation Act and \$1,000,000 for foreign funds control, are no longer required, and have been eliminated from the budget estimates, making up most of the difference between the appropriation for 1947 and the estimates for 1948.)

Inasmuch as all of the offices that have been placed organizationally under the Secretary of the Treasury are service units, it was not possible for the committee to make as substantial reductions as

were possible in some other sections of the bill. Several changes of import are reflected in the reduction of \$719,500 made in the Budget estimates for these offices. The principal changes will be alluded to in the order in which they appear in the bill.

Immediate office of the Secretary.—The reduction of \$80,000 in the estimates for this office will mean that operations must be conducted with \$23,000 less than the amount available for the current year. This will necessitate the absorption of all funds contained in the estimate for promotions which, as a corollary, will result in the reduction of some twenty-odd personnel.

Cost of penalty mail.—An appropriation of \$6,700,000 is recommended to meet the cost of penalty mail sent out by the Treasury Department. The committee shall expect mailing schedules to be adjusted in such way as to insure that the total cost of mail does not exceed the figure provided.

Personnel or property damage claims.—A new item of \$20,000 appears in the bill to permit the settlement by the Treasury Department of Federal tort claims pursuant to the provisions of the Legislative Reorganization Act of 1946. As there are no past experiences to be used as guides the committee has allowed the estimate submitted by the Treasury to stand.

Division of Tax Research, Tax Legislative Counsel, Division of Research and Statistics, General Counsel's Office

Previously, each of the four offices named in this side head have been provided for separately by specific appropriations. The committee has determined to consolidate all of these units under the Office of the General Counsel. Accordingly, the committee has eliminated from the bill the individual estimates for the Division of Tax Research, the Tax Legislative Counsel, and the Division of Research and Statistics, and in lieu thereof, and has increased the estimate for the General Counsel's Office by approximately \$250,000, to take care of the functions previously performed by these three independent agencies. The net result of this action is to effect an over-all savings, in terms of the estimates, of \$245,600. This consolidation will bring in its wake a reduction in personnel, but the committee is of the opinion that by better utilization of employee's time which the consolidation should permit, the work of these units can be carried on without measurable impairment in output. Tax research, both economic and legal, should be limited to studies concerning the immediate requirements for tax change and less time and attention should be devoted to theoretical studies of taxation that do not have immediate applicability to proposed changes in the tax structure.

Division of Personnel.—The committee is disturbed at the rapid growth of the Central Division of Personnel of the Treasury Department. This unit has grown from an appropriation of \$44,000 in 1938 to a requested allowance of \$227,000 in 1948. Each of the component agencies of the Treasury Department has a personnel division of its own, and as such, is equipped to handle the vast majority of personnel actions involving its own employees. The departmental personnel division should confine itself, in the main, to questions of personnel policy. To give effect to this thought, the committee has reduced the estimate by \$100,000, the effect of which will be to require a further decentralization of personnel function by requiring that the various

Treasury bureaus assume an increased measure of responsibility in coping with problems of personnel within its own bureau confines. The committee makes note of the fact that this Division has been charged with investigating un-American activities in the Department, but that only one hearing has been held, despite more than 350 complaints received, since 1943. Greater diligence in this matter is essential, and the committee will expect the Secretary of the Treasury to see that his Department is put in order. There should be no subversive elements in the Treasury.

The health service program for the personnel of the Treasury Department has been given a reduction of about 40 percent. Inasmuch as this activity is in the general nature of dispensary care, it is felt that retrenchment is possible and warranted. Enough money has been provided for all emergency treatment.

Office of the Chief Clerk.—The appropriation of \$326,000 recommended for the Chief Clerk's office for the next fiscal year will necessitate the absorption of all additional moneys proposed for salary increases and will result in a contraction of the office by the elimination of a portion of the personnel. The committee feels that essential functions can be maintained with the amount allowed, with certain other functions, that might fall into the category of being desirable but not necessary, curtailed or eliminated to serve the demands of economy.

Custody of Treasury buildings.—The reduction of \$27,600 in the estimates for the maintenance items falling under this caption represents the curtailment of custodial services that should take place as the result of the elimination of Treasury personnel brought about by the various reductions in appropriations recommended in the accompanying bill.

BUREAU OF ACCOUNTS

| Appropriation for 1947 | Budget estimate for 1948 | Recommended in bill for 1948 | Increase (+) or decrease (—), bill compared with 1947 appropriation | Increase (+) or decrease (—), bill compared with 1948 estimates |
|---------------------------|-----------------------------|---------------------------------|---|---|
| \$10,068,400 | \$15,714,800 | \$13,655,000 | +\$3,586,600 | —\$2,059,800 |

As indicated in the above table, the estimates for the Bureau of Accounts have been reduced by over \$2,000,000.

The major portion of expense incurred by this Bureau involves the cost of issuing Government checks for salaries, pensions, Veterans' Administration allowances, purchases of supplies and payment under contracts made by the Government. The Division of Disbursement—a division within the Bureau of Accounts—is charged with this responsibility and it makes all disbursements for Government executive branch accounts, other than those chargeable to the Army, Navy, Panama Canal, Post Office Department, and a small part of Department of Justice disbursements. The estimate for the expenses of the Division of Disbursement is based upon the estimated number of checks to be written times the unit cost per check. The budget estimates anticipate that 188,000,000 of these items will have to be handled in 1948. The committee regards his estimate as excessive and accordingly, has reduced the estimate for this disbursing activity by \$1,600,000.

The committee has reduced the item for deposit of withheld taxes by \$15,000 and has increased the appropriation for printing and binding by \$14,300, so that, as a result of this transfer, the printing and binding appropriation will be charged with all printing costs of the Bureau.

The item for recoinage of silver coins has been reduced \$40,000 to a figure of \$200,000, with the thought that the anticipated recoinage schedule can be modified to keep within the limits of the appropriation recommended without doing serious harm to the recoinage program.

The committee is impressed with the representation of Bureau officials that a new system should be devised to handle the problem of "stale" checks.

Testimony presented to the committee indicates that there still remains \$711,000,000 of lend-lease transactions that are owing to the United States but which has not been billed to said foreign governments due to the shortage of personnel. Every effort should be made to accelerate this work in order that the Government may make collections of credits due and owing.

The committee has taken note of the fact that the estimate for the Division of Disbursement carried a total of over \$500,000 for overtime pay. It was testified that some of this overtime was necessary because of the failure of some Government departments to furnish pay-roll data in time to have checks made out in the normal routine course. The committee does not believe it justified to force the Division of Disbursement to pay overtime in order to fulfill an obligation to pay an employee of another agency on time, when that other agency is, by its dereliction, responsible for the delay causing the overtime. It would probably not require more than one delay in the issuance of checks to bring the offending department around to the point of setting its house in order to insure that such delay does not happen again.

BUREAU OF THE PUBLIC DEBT

| Appropriation for 1947 | Budget estimate for 1948 | Recommended in bill for 1948 | Increase (+) or decrease (-), bill compared with 1947 appropriation | Increase (+) or decrease (-), bill compared with 1948 estimates |
|---------------------------|-----------------------------|---------------------------------|---|---|
| \$66, 075, 000 | \$69, 446, 000 | \$65, 913, 000 | —\$162, 000 | —\$3, 533, 000 |

As shown above, the committee is recommending a sum slightly less than \$66,000,000 to pay for the expenses of administration connected with funding and refunding of the public debt. The amount allowed will effect a reduction of \$3,533,000 in the budget estimates and it is the intention of the committee that in applying this reduction, not more than \$125,000 be directed at the operations of the Savings Bond Division. The amount allowed in this bill is some \$500,000 under the total currently available and it will therefore be incumbent upon public-debt officials to do some trimming of sail as regards the total number of employees engaged in public-debt operations. The membership of the House will find tables appearing on pages 29 to 34 of the hearings accompanying the bill which are illuminating on the public-debt picture. These tables give a complete break-down of the \$259,000,000,000 in outstanding public debt.

It appears that refunding operations to take place during the balance of the fiscal year 1947 and during all of the fiscal year 1948,

will involve an operation of about \$40,000,000,000, composed largely of short-term obligations.

The present cash balance carried in the Treasury of the United States is approximately 3½ billion dollars, and the average interest rate paid on all outstanding public debt is 2.06 percent. It is interesting to observe that about 28½ billion dollars' worth of Government bonds and securities are invested in various types of trust funds or are being held by Government corporations.

The savings bond program of the Government continues to require constant encouragement and stimulation. Now that the war inducement to purchase Government bonds has ceased, appeals to investors must be made along different lines, and the desirability of purchasing United States savings bonds, as an investment, will continue to be encouraged reasonably through the media of the radio, the press, mail, and circulars. It is pleasing to note that there has been a gradual diminution in the administrative cost of selling these war bonds. At the present time, these costs have been reduced to approximately one-twenty third of 1 percent.

The committee is convinced that the Government would be entirely justified in charging a fee for the replacement of any bonds that are lost, destroyed, mutilated, etc. It is thought that a small service fee for this replacement would be entirely reasonable and would in no way act as a sales resistant. The committee will charge the Bureau, therefore, with the responsibility of preparing a recommendation on this matter and presenting it for the consideration of the committee within 90 days after this report is published.

OFFICE OF THE TREASURER OF THE UNITED STATES

| Appropriation for 1947 | Budget estimate for 1948 | Recommended in bill for 1948 | Increase (+) or decrease (-), bill compared with 1947 appropriation | Increase (+) or decrease (-), bill compared with 1948 estimates |
|---------------------------|-----------------------------|---------------------------------|---|---|
| \$5, 075, 000 | \$5, 641, 000 | \$5, 040, 000 | —\$35, 000 | —\$601, 000 |

It will be seen that \$5,040,000 has been recommended in the bill for this office which dedicates itself primarily to the receipt, disbursement, and accounting of public moneys. The action taken by the committee will mean that the Treasurer will have to live substantially within the means provided for the current fiscal year, with administrative changes brought into being that will serve to absorb the additional funds that are required for salary increases provided by Congress. This office has made a commendable record since 1940 in handling a greatly increased work load with a much less proportionate increase in personnel. The committee action will require another "notch in the belt," and a continued improvement in work output per employee.

BUREAU OF CUSTOMS

| Appropriation for 1947 | Budget estimate for 1948 | Recommended in bill for 1948 | Increase (+) or decrease (-), bill compared with 1947 appropriation | Increase (+) or decrease (-), bill compared with 1948 estimates |
|---------------------------|-----------------------------|---------------------------------|---|---|
| \$44, 430, 000 | \$54, 100, 000 | \$47, 595, 000 | +\$3, 165, 000 | —\$6, 505, 000 |

Of the reduction of \$6,505,000 shown above, \$3,000,000 represents a scaling down in the amount estimated for the payment of custom refunds and draw-backs, while \$3,505,000 represents paring down on the administrative expenses of the custom service.

Customs business is increasing, but the committee is of the firm belief that with a more effective utilization of manpower, the essential need of maintaining the customs revenue can be served. One of the ways to improve the operations of this agency and provide a more effective use of the employees of the service is to work out an administrative agreement with the Immigration and Naturalization Service for the combining of the border-patrol agencies of these two services. The committee is informed that both the immigration border patrol and the customs border patrol operate along the Canadian and Mexican borders, and yet there is no correlation or cooperation in their activity. Certainly one man can be given a dual responsibility to patrol against violation of either the immigration or customs laws, and in this way, bring about a savings in personnel costs with little, if any, loss in either coverage or service. Such a recommendation has already been made by the Attorney General.

The committee is impressed by the increased amount of work some parts of the Customs Field Service are called upon to perform. It is felt, however, that some of the suggested expansions of service might be desirable but are not necessary. Such an item is the establishment of two new laboratories. The extension of Customs Agency Service abroad is also so considered, since it would appear that much of this work could be done by personnel of other departments having permanent staffs abroad. In many other instances, shifting of emphasis from nonessential activities to necessities, curtailing some administrative activities, and especially reducing expenses in other than personal-service items, would enable the Bureau to cope with much of its increased work load. If this is done, the amount recommended, which is an increase over the 1947 appropriation, would be available for employment of additional personnel in some of the field positions where they are needed.

BUREAU OF NARCOTICS

| Appropriation for 1947 | Budget estimate for 1948 | Recommended in bill for 1948 | Increase (+) or decrease (-), bill compared with 1947 appropriation | Increase (+) or decrease (-), bill compared with 1948 estimates |
|------------------------|--------------------------|------------------------------|---|---|
| \$1,304,000 | \$1,510,400 | \$1,434,000 | +\$130,000 | -\$76,400 |

The Bureau of Narcotics is one of the few agencies in the Treasury that has maintained its expenditures on approximately the same level over the past 10 years. The amount provided by the committee—\$1,430,000—is only about \$130,000 in excess of the appropriation for 1940, and when consideration is given to the fact that there have been salary increases in the interim that have more than compensated for this increase, it will be seen that this Bureau has been operating most efficiently. The amount approved by the committee will require the elimination of approximately \$50,000 requested for increases in

operating expenses other than salaries and will require the Bureau to absorb about \$25,000 of the \$156,000 required to meet salary increases that will be due and owing in the fiscal year 1948.

BUREAU OF ENGRAVING AND PRINTING

| Appropriation for 1947 | Budget estimate for 1948 | Recommended in bill for 1948 | Increase (+) or decrease (-), bill compared with 1947 appropriation | Increase (+) or decrease (-), bill compared with 1948 estimates |
|------------------------|--------------------------|------------------------------|---|---|
| \$11, 755, 500 | \$13, 505, 500 | \$12, 005, 000 | +\$249, 500 | -\$1, 500, 500 |

The reduction of \$1,500,000 in the estimates for the Bureau of Engraving and Printing will necessitate the Bureau finding ways and means of meeting the additional cost of salary increases by either reduction in personnel, increased output per employee, or a combination of the two.

The committee has noted that the estimate carries a figure of approximately \$1,300,000 for overtime pay, holiday pay, and night-work differential payments. A considerable portion of this extra remuneration charge results from orders placed with the Bureau of Engraving and Printing by other agencies of the Government. Not infrequently, the agency ordering the work insists upon an urgency tag being placed upon the order with the result that the Bureau incurs extra charges for night differential and overtime pay, such charges, of course, being reimbursed to the Bureau of Engraving and Printing by the ordering agency. The committee directs the attention of the Bureau of the Budget to this matter so that it may consider passing on the urgency of requests for the services of the Bureau of Engraving and Printing to the end that a possible conservation of Government expenditures may ensue, with the work being performed as a routine function of the Bureau of Engraving and Printing without the necessity of incurring overtime charges.

SECRET SERVICE DIVISION

| Appropriation for 1947 | Budget estimate for 1948 | Recommended in bill for 1948 | Increase (+) or decrease (-), bill compared with 1947 appropriation | Increase (+) or decrease (-), bill compared with 1948 estimates |
|------------------------|--------------------------|------------------------------|---|---|
| \$3, 112, 000 | \$3, 465, 100 | \$2, 707, 500 | -\$404, 500 | -\$757, 600 |

The main items of decrease making up the seven hundred and fifty-odd thousand cut shown above are to be found in the items for suppressing counterfeiting and other crimes, and the salaries of the White House Police force and the Treasury Buildings police force.

One of the principal functions of the Secret Service Division is the apprehension of counterfeiters. The figures show that there has been a tremendous decrease in counterfeiting during the past 10 years. This is a most encouraging showing and speaks well for the assiduity of the force. Offsetting this reduction in counterfeiting activity is a gradual increase in check forgeries, traceable, in the main, to the

greater volume of checks being issued rather than to any greatly accelerated forgery activity. The amount provided for the field service of the Division will amount to a reduction in the estimate for 1948 of about 25 percent, but the amount provided will still be nearly double that granted for the fiscal year 1938, and exceeds the appropriation granted for any of the war years. The committee feels that the service can live within the limits of the sum recommended without impairing the orderly, efficient processes of law enforcement with which this agency is charged.

The funds for the protection of the Chief Executive come from the appropriation for the suppression of counterfeiting and other crimes, and it is not the intent of the committee to reduce this protection in any way, other than the Service might deem possible because of the return to peacetime routines.

The amount provided for the White House Police force is \$270,000, which is a sufficient amount to pay the maximum size police force authorized by existing law. If it is determined that adequate protection of the White House demands a larger corps of officers than the 1 captain, 2 lieutenants, 4 sergeants, and 73 privates authorized in the act of April 22, 1940, then proper representation should be made before the appropriate legislative committee for a reconsideration of the existing legal limitations on numbers.

In 1939, Congress appropriated some \$300,000 for the salaries and expenses of the guard force that gives security protection to Treasury buildings. It was proposed in the pending budget that an appropriation of \$849,700 be made available for this force. The committee regards this increase in activity as very excessive and accordingly has cut back the 1948 allowance to \$720,000, which sum should be entirely adequate to give all reasonable security protection to the Government wealth stored in various Treasury buildings.

BUREAU OF FEDERAL SUPPLY

| Appropriation for 1947 | Budget estimate for 1948 | Recommended in bill for 1948 | Increase (+) or decrease (-), bill compared with 1947 appropriation | Increase (+) or decrease (-), bill compared with 1948 estimates |
|------------------------|--------------------------|------------------------------|---|---|
| \$101,377,000 | \$1,820,200 | \$1,480,000 | -\$99,897,000 | -\$340,200 |

As noted above, the total appropriation recommended for the Bureau of Federal Supply is \$1,480,000, of which amount \$170,000 is for printing and binding. With this amount the Bureau will have approximately \$100,000 to meet additional costs due to salary increases aggregating \$170,000. This will mean that the Bureau must absorb about \$70,000 by either reduction in personnel or in the other operating expenses of the agency. The additional employees requested for next year over and above those at present on the rolls are, as a result of the committee's reduction, disallowed.

During the course of the hearings on this agency, it was developed that Government corporations are not using the procurement facilities of this Bureau. It is suggested, therefore, that the Bureau of the Budget, within the next 4 months, investigate this question with a view to determining the wisdom of requiring all Government corpora-

tions to comply with regular Government supply procedure. Appropriate recommendation in the premises should be made to this committee before the next session of Congress.

The committee has been impressed with the fact that there appears to be no over-all policy in the Government as to the replacement of automobiles. Bureau of Federal Supply officials have decided that as far as automobile replacement in that Bureau is concerned a formula is now being devised which will make replacement contingent upon the relationship of operating costs to replacement cost. Such a formula appears to be sound and the committee feels that this principle might well be extended to other agencies of the Government which are operating and replacing automobiles on Government account. To fix the definite point at which the law of diminishing returns comes into being as regards motor-vehicle operation seems highly important. It is felt, therefore, that the Bureau of the Budget might likewise dedicate itself to a study of this problem with a view of formulating recommendations to the committee that may be of value in establishing a general over-all policy of automobile replacement by all Government agencies.

For many years, a provision has been carried in the Treasury-Post Office Departments appropriation bill setting a maximum price at which the Government may purchase typewriters. Repeated representations have been made by representatives of the various typewriter manufacturing agencies that this provision is discriminatory and does not assure a fair return to the manufacturer. Rumors have come to the attention of the committee—all unconfirmed—that there is a large stock of new and used (but usable) typewriters in Government surplus stocks—both declared surplus and agency inventory surplus. At the present time some typewriter manufacturers are refusing to supply the Government while some companies are offering only limited quantities of machines for Government purchase. There appears to be no immediate problem that supply will prove to be insufficient for Government requirements, but that possibility is presented. In order, therefore, that the committee may have a comprehensive picture of all the factors entering into this equation, it has been decided that the investigative staff of the committee will be called upon to look into this subject from all angles and prepare a report and recommendation for committee consideration prior to the commencement of hearings on the 1949 appropriation bill. In the meantime, language in the current act bearing on this issue is recommended for retention in the accompanying bill.

THE BUREAU OF THE MINT

| Appropriation for 1947 | Budget estimate for 1948 | Recommended in bill for 1948 | Increase (+) or decrease (-), bill compared with 1947 appropriation | Increase (+) or decrease (-), bill compared with 1948 estimates |
|---------------------------|-----------------------------|---------------------------------|---|---|
| \$6, 264, 500 | \$7, 186, 750 | \$6, 467, 500 | +\$203, 000 | -\$719, 350 |

The Bureau of the Mint engages itself primarily in the manufacture of coin for Government account and public use. The Bureau receives gold and silver deposits from the public and processes and refines

these metals for storage, protection and use. Over 95 percent of the total appropriation is expended at the mints in Philadelphia, San Francisco, and Denver, and at the assay offices in New York, Seattle, West Point, and Fort Knox.

As indicated above, the committee has reduced the mint estimates by about \$720,000. The amount allowed, however, is nearly three times the cost of the service in 1940. The principal item of cost is for coinage and it is recognized that the demands of the public for coins are in excess of what they were 8 years ago. With the funds provided, it will be possible for the mint to produce upward of 1,800,000 individual coins during the next fiscal year. Reference to the tables in the hearings on pages 420 and 421 gives a good picture of the volume of coinage in the various denominations of coins and coin inventory in the various categories. It will be necessary for the mint officials to devise means of absorbing approximately two-thirds of the amount required for salary increases pursuant to Public Law 390, and wage board determinations.

BUREAU OF INTERNAL REVENUE

| Appropriation for 1947 | Budget estimate for 1948 | Recommended in bill for 1948 | Increase (+) or decrease (—), bill compared with 1947 appropriation | Increase (+) or decrease (—), bill compared with 1948 estimates |
|---------------------------|-----------------------------|---------------------------------|---|---|
| \$2, 292, 707, 000 | \$2, 239, 003, 500 | \$1, 409, 003, 500 | —\$883, 703, 500 | —\$830, 000, 000 |

Salaries and expenses.—The committee has fixed the appropriation for the Bureau of Internal Revenue in 1948 at \$178,000,000. This action results in a saving with respect to the Budget estimate of \$30,000,000.

There is no fixed standard by which accurate determination can be reached on the ratio that appropriations should bear to estimated revenues. It would never be the design of Congress to provide sufficient funds to investigate each and every tax return that is filed each year. Any such policy would result in an unconscionable expenditure with the additional return in taxes collected palpably out of ratio to the expenditures involved. It is the thought of the committee that the Bureau of Internal Revenue as a means of serving the dictates of economy, should, in the future, give priority to the investigation of returns which either give prima facie evidence of tax avoidance or fraud, or those cases in which the Government is in possession of information indicating that the taxpayer has not correctly stated his return. Time-consuming, petty, frivolous cases should be ignored to serve the retrenchment program. The very taxpayer that has made his influence felt in demands for economy will, in the opinion of the committee, be willing to accept some small diminution in the matter of service rendered by the Bureau to him in preparing his return. It is not contemplated, however, that there should be any drastic curtailment in the servicing functions of the Bureau.

In justification of the estimates of funds for the fiscal year 1948, the Bureau of Internal Revenue sets forth that—

the taxpayers of this Nation who are meticulous in their response to the taxing statutes have a right to expect the Bureau to compel the attention of those who are less careful (p. 579).

The committee concurs in that sentiment.

In absorbing the reduction of funds for the Bureau of Internal Revenue, the committee wishes to emphasize its conviction that this can be done without weakening or impairing the enforcement function. In fact, the committee believes that a more vigorous effort can be made in this field because it represents an area in which the largest revenue returns can be effectuated per dollar of enforcement cost for personnel. Field offices which were established at the special instance of the former Secretary of the Treasury with funds supplied by Congress should be maintained and field officers should be given every encouragement in the vigorous pursuit of fraud and evasion cases. The committee proposes to give this matter continuous oversight to the end that there will be no weakening of the enforcement function.

Another reason prompting the committee's reduction lies in the fact that all present evidence points to legislative changes in the tax laws that will reduce the number of taxpayers filing returns. The degree of this reduction is, of course, contingent upon the nature of the revision of the tax laws that takes place. In any event, it is reasonable to assume that the contemplated number of tax returns of all classes to be filed during the fiscal year 1948 will be considerably less than the 86,000,000 upon which the budget estimate was based.

As regards the Alcoholic Tax Unit, for which activity funds are provided as a component of the appropriation for the Bureau of Internal Revenue, the committee feels that the decrease recommended should not be directed against this particular enforcement arm. It appears that with an increased program of production of spiritous liquors under way, there is developing an increased demand for the appointment of storekeeper-gaugers. The committee is of a mind that this demand should be met within the limits of funds provided in the accompanying bill, and that a deficiency should not be incurred. If the allotment for the Alcoholic Tax Unit contained in the present estimates is not reduced, it is thought that there will be sufficient funds to meet all irreducible demands for storekeeper-gauger personnel.

The committee feels it important to observe that as a result of the necessity of reducing to some degree the enforcement machinery of the Internal Revenue Bureau, it is not expected that there will be any let-up in the matter of prosecution of taxpayers who seek to avoid the payment of taxes to the Government. Rather, the machinery of law enforcement should be oiled, greased, and speeded up, with the object of letting it be well known to the public that short shrift will be given violators of our tax laws.

Refunding internal-revenue collections.—In the current appropriation act for the Treasury Department, an indefinite appropriation was made for these refunds of tax collections. The language of the bill carrying this appropriation stated that, "There is hereby appropriated such amount as may be necessary." Believing in the principle that all appropriations should be stated in a definite amount and subject to definite control by Congress, the committee has made a specific

appropriation out of this item and has provided a total of \$1,231,000,000, to meet these payments. This is a reduction in the budget estimates and is the committee's best estimate as to what these refunds may amount to. With manifestly improved public education and information concerning the procedure and method of filing income-tax returns, coupled with the expectation of several million less taxpayers filing as a result of prospective changes in the tax laws, it is felt that the reduced figure would more nearly approximate the amount required for these rebates than the Bureau's estimate therefor.

COAST GUARD

| Appropriation for 1947 | Budget estimate for 1948 | Recommended in bill for 1948 | Increase (+) or decrease (-), bill compared with 1947 appropriation | Increase (+) or decrease (-), bill compared with 1948 estimates |
|------------------------|--------------------------|------------------------------|---|---|
| \$116, 226, 000 | \$132, 904, 400 | \$97, 000, 000 | —\$19, 226, 000 | —\$35, 904, 400 |

In 1938—10 years ago—the total appropriation for the Coast Guard was a little less than \$25,000,000. Through the intervening years since that date, functions performed by other agencies of the Government, such as the old Lighthouse Service and the former Bureau of Marine Inspection and Navigation, were transferred and absorbed by the Coast Guard. For the fiscal year 1948, the committee was presented with a budget estimate of \$133,000,000, in round numbers, to carry on the activities of this agency.

Giving due consideration to the fact that the Coast Guard today performs many duties additional to those undertaken 10 years ago, the fact remains that, even making allowance for these added burdens, the appropriations have grown by leaps and bounds and the day has arrived for a reevaluation by Congress of the role that the Coast Guard should play in the matter of providing services. The committee is firmly convinced that it was never the intention of Congress that the Coast Guard should become a "blue water" organization, extending its functions far beyond the coasts of continental United States. It was never in contemplation of Congress that as a peacetime agency, the Coast Guard should assume the functions of a miniature navy. The very name of the organization bears witness to this view. If it is a coast guard, then a coast guard it should be and unless Congress should determine to broaden its scope and change its name, then a coast guard it should remain. The grandiose designs of the Coast Guard are reflected in the fact that the organization itself requested the Treasury Department to approve an aggregate of \$232,000,000 for operations in 1948. The Treasury Department budget officials reduced this total to \$171,000,000. The Bureau of the Budget then considered the matter and made a further reduction to \$133,000,000—all convincing evidence that the Coast Guard is apparently completely devoid of realization of the urgent need for economical administration of Government to protect the country's fiscal destiny.

The committee feels that the amount suggested here will be sufficient to carry on the search and rescue operations, and to maintain properly domestic aids to navigation. It will also be sufficient to

continue the work of the Bureau of Merchant Marine Inspection, but greater efficiency in this work must be shown, and with reduced personnel.

Testimony presented to the committee strongly indicates that the Coast Guard is overstaffed with high-ranking officers, and it is the intent of the committee that the number of officers shall be reduced, and that a better distribution of officers in grades be accomplished.

As a means of giving an administrative cushion to the Department in working out a reduction of approximately \$36,000,000 made in the Budget estimates, the committee has appropriated a lump sum of \$97,000,000 for all Coast Guard activities, but has retained the language of each of the previous individual appropriation items and has inserted in each a limitation on the total amount that may be expended for the purposes named. The total of this permissive authority under the various limitations is approximately \$15,000,000 in excess of the appropriation itself. In effecting the retrenchment, therefore, if the Department finds that in order to serve orderly administration it will be necessary to reduce one category of expenditure at a more accelerated rate than another or conversely to apply less proportionate reductions to other items, then this system of limitations within the appropriation will supply some reasonable degree of elasticity and latitude. While the committee has definite thoughts as to items of proposed expenditure that might be drastically reduced or deleted entirely, it will not be the committee's purpose to tie the hands of the Coast Guard in singling out specific items, but rather, will leave to the Coast Guard officials the task of assigning priorities and working out a retrenchment program designed to serve the agency as a completely integrated operating unit.

It is the belief of the committee that Coast Guard procurement should be more closely integrated both with Government procurement, through the Bureau of Federal Supply, as well as with the joint effort of the Army and Navy to devise uniform procurement practices and procedures. The Coast Guard acquires many items of military equipment which could be secured at less cost to the Government by having the acquisition made through Army or Navy procurement channels, where economies of large-scale purchase can be had.

A proposal of new language for 1948 was incorporated in the Budget estimates designed to amend section 7 (a) of the Administrative Procedure Act of 1946. The effect of the language would have been to permit commissioned officers of the Coast Guard, rather than civilians, to conduct certain hearings connected with the operations of the merchant marine. It was represented to the committee that if this language were approved, it would circumvent a future expenditure of upward of \$200,000 which otherwise would eventuate, if amendment of existing law does not take place prior to June 11 of this year. The committee has deleted the proposed language from the bill solely because of the fact that it represents a change in existing legislation and hence, is without the proper purview of the Appropriation Committee. In making the elimination, however it is to be understood that the committee neither approves nor disapproves the legislative proposal involved in the proposed change. This is an important matter, and it is to be hoped that the Treasury Department will make prompt representation to the appropriate legislative committee of the House, in order that due consideration can be given to

the merits of the proposal prior to the date (June 11, 1948) when the provisions of the Administrative Procedure Act becomes applicable to this question.

TITLE II—POST OFFICE DEPARTMENT

The committee has recommended appropriations totaling \$1,530,733,250 for the Post Office Department for fiscal 1948. This is a reduction of \$14,356,000, less than 1 percent, from the estimates submitted by the Department, and is \$7,642,069 less than the Post Office appropriation and estimated deficiencies for 1947. The amount carried in this bill for 1948 is sufficient to cover all pay increases provided by the Seventy-ninth Congress, and it is pointed out that salaries constitute 80 percent of the Department's obligations. No essential services will be curtailed if the committee's recommendations are adopted.

It should be noted that almost invariably the Post Office Department's advance estimates of revenues have generally been considerably higher than the actual final figures. In 1946 revenues were \$78,000,000 less than the Department's midyear estimates. A table showing the difference between estimated and actual revenues for the period 1926-46 appears on page 6 of the hearings. If the Department's estimates for 1948 are of the same character as estimates heretofore presented, the committee believes it safe to assume that revenues for both 1947 and 1948 will be somewhat less than the amounts now suggested by the Department. The committee has borne this in mind and has adjusted items in the bill to meet the situation.

During the past 20 years, the expenditures of the Post Office Department have exceeded the postal revenues in all but 3 years. On the basis of the appropriations carried in this bill, and the revenues as estimated at present by the Department, it is anticipated that the postal deficit in fiscal 1948 will be more than \$335,000,000, or approximately \$35,000,000 more than the expected 1947 deficit. When considering methods of reducing this deficit it must be borne in mind that it can only be done through both a reduction in expenditures and an increase in revenues, and not by either one alone. This subcommittee has made recommendations to the appropriate legislative committee that measures to increase the postal revenues be given consideration at the earliest possible date.

Many classes of mail are not self-supporting at the present time, nor are some of the special services, such as special-delivery mail and postal money orders. It can also be pointed out that revenues from handling penalty mail for Government agencies (for which the Post Office bills the various departments and agencies of the Government at the rate of \$18.50 per thousand letters) are paid directly into the Treasury and are not credited as postal revenues. In 1946 the Post Office Department expended \$29,709,039 for handling penalty mail for Government agencies, other than military services. Had full postage been paid on this mail the revenues of the Post Office Department would have been increased by \$98,260,942. It might also be noted that the Post Office Department is responsible for and charged with the expense of maintaining Federal buildings throughout the country, and that in many instances these buildings are occupied in

part by other Government agencies which do not pay rent or bear any share in the cost of maintenance.

In striving to reduce expenditures, the committee has been mindful of the fact that the post office is a service agency and its successful and efficient operation touches on the daily lives of all the people in the United States, and of our service personnel abroad. In view of the greatly increased volume of mail and of the increased administrative burdens caused by recent legislation and the reconversion to peacetime operations, no major reduction in expenditures can be made for 1948 without impairing essential service. To that extent, the committee has been limited in instituting reductions.

The Post Office Department is, with one exception, the biggest business in the world. Its over-all efficiency is commendable. Yet no private business could long survive with successive deficits such as this agency has produced and the citizens of the country have a right to expect that this situation will be corrected. Most of those officials who testified before the committee declared that they would produce savings in 1948. These savings must be made so that the Department does its share in eliminating the deficit. The estimates submitted for 1949 should reflect this attitude.

DEPARTMENTAL APPROPRIATIONS

| Appropriation for 1947 and estimated deficiency | Budget estimate for 1948 | Recommended in bill for 1948 | Increase (+) or decrease (-), bill compared with 1947 appropriation | Increase (+) or decrease (-), bill compared with 1948 estimates |
|---|--------------------------|------------------------------|---|---|
| \$8,097,179 | \$8,329,100 | \$7,640,500 | -\$456,679 | -\$688,600 |

(The 1947 figure includes all pay increases granted by the 79th Cong.)

Included under this heading are the salaries for the offices of the Postmaster General and his four assistants; the Solicitor; purchasing agent; chief inspector, Bureau of Accounts, and Office of Budget and Administrative Planning, as well as travel expenses for these officers, printing and binding, damage claims, and contingent expenses.

Small reductions have been made in almost all these items, with the exception of the Office of the Budget and Administrative Planning, and travel expenses for the Postmaster General and his assistants, for which only \$3,000 was requested. The Office of the Budget and Administrative Planning requested and was allowed \$59,500, which the committee felt was a small sum in view of the work this Office does to promote the efficiency of the department. A work simplification program for the service has been undertaken by this Office, and already has resulted in savings. This program should be continued and expanded, and adequate rewards should be given promptly to those employees in the service who contribute worth-while ideas.

In each of the offices of the Postmaster General and his assistants, with the exception of the Third Assistant, there are numerous persons engaged in personnel work, and in some cases this number has increased as much as 200 percent in the past 10 years. While the reductions applied by the committee were in almost all cases sufficiently small to be absorbed by more efficient administrative procedures, should any

reduction in force be required, it is felt that such reductions could be best made in the numbers of personnel workers. The amount required for public relations and publicity work is also considered higher than necessary. Reductions and savings can and should be made.

The Solicitor submitted requests for \$314,000, almost \$100,000 more than received by that office last year, in order to reorganize his office. This reorganization has the approval of the committee for it appears that this work was poorly and inefficiently handled in the past. The committee is particularly disturbed by the fact that in former years the post office has not been actively represented in cases before the Civil Aeronautics Board involving certification of air-mail routes and the fixing of rates for carrying air mails. Testimony indicates that this failure has cost the United States hundreds of thousands of dollars. In the future proper safeguards must be maintained, and the Department must be represented at such hearings as would affect air-mail transport and air-mail rates. However, the amount requested for this office was not allowed in full, since it was felt that the reorganization should be attempted with fewer personnel additions. Greater increases might be allowable after the reorganization has been accomplished, if it is then established that sufficient funds are not provided to carrying out properly the duties assigned this office.

The chief inspector was not granted his full request. It is believed that the efficiency of this office would not be impaired by a slight reduction in personnel, provided that reduction was made in the administrative rather than the investigating staff.

The purchasing agent of the Department has been able to effect savings. It is suggested that the schedules of the Federal Bureau of Supply be used to the fullest possible extent in purchases for the Post Office Department.

The work of the Bureau of Accounts has shown some decrease and in preparing its estimates the Department made allowances for this. An additional reduction was made by the committee since a further decline in the work load is to be expected as war work is completed.

Economies must be practiced in purchasing furnishings and fixtures for the departmental offices. Such economies are possible, equipment can be made to last longer and can be more fully utilized. With this in mind a reduction has been made in the Department's estimates. A reduction has also been made in the estimates for printing and binding but elimination of waste and the practice of economy will assure that sufficient work along these lines can be done.

Until the Federal Tort Claims Act has been in effect for a longer period, it is not possible to do more than estimate the cost of this item. The amount granted for such claims in 1948 is more than \$100,000, which is the committee's best estimate after receiving testimony from departmental officials.

INSPECTION SERVICE

| Appropriation for 1947 and estimated deficiency | Budget estimate for 1948 | Recommended in bill for 1948 | Increase (+) or decrease (-), bill compared with 1947 appropriation | Increase (+) or decrease (-), bill compared with 1948 estimates |
|---|--------------------------|------------------------------|---|---|
| \$6,367,100 | \$6,744,400 | \$6,493,000 | +\$125,900 | -\$251,400 |

Largest item in the appropriations for the Inspection Service is salaries for inspectors, for which \$4,300,000 is carried in this bill. This is sufficient to meet all pay increases granted by the Seventy-ninth Congress, plus \$157,647 to provide for statutory promotions. The value of the Inspection Service cannot be underestimated, and it is felt that money appropriated for this Service is a wise investment.

The amount carried in the bill for clerks at division inspection headquarters, \$1,178,000, is a reduction from the estimates and is below the 1947 obligations. Additional personnel requested have been disallowed, and some reduction in force will be required, but it is felt that greater utilization can be made by postal inspectors of clerks at local post offices, on a part-time basis only, rather than maintaining large clerical staffs which were built up during the war at division headquarters. Every effort should be made by the Department to see that the number of clerks engaged in this work is reduced at the earliest possible date.

Other items under this heading are travel for inspectors and payments of rewards, both of which are carried at their 1947 figure.

FIELD SERVICE

OFFICE OF FIRST ASSISTANT POSTMASTER GENERAL

| Appropriation for 1947 and estimated deficiency | Budget estimate for 1948 | Recommended in bill for 1948 | Increase (+) or decrease (—), bill compared with 1947 appropriation | Increase (+) or decrease (—), bill compared with 1948 estimates |
|---|--------------------------|------------------------------|---|---|
| \$1, 045, 185, 490 | \$1, 062, 811, 450 | \$1, 059, 054, 750 | +\$13, 869, 260 | —\$3, 756, 700 |

(The 1947 figure includes all pay increases granted by the 79th Cong.)

Under the Bureau of the First Assistant Postmaster General come all postmasters, assistant postmasters, carriers (including city, rural, and village deliveries), and clerks. Fourteen items of appropriation are included under the general heading, and the committee suggests to the Bureau of the Budget that some of these items be consolidated prior to submission of the 1949 estimates.

Major items and the action recommended thereunder, are:

Compensation to postmasters.—The Department recommended some reduction in this item, and the committee, believing that there will be greater lapses and an increased decline in classification of post offices, has further reduced the estimates by \$201,000, leaving \$87,-470,000 for 1948. There are 41,683 postmasters, and the Department allowed only \$65,000 for lapses.

Assistant postmasters.—In allotting \$12,800,000 for this item, the committee has reduced the Department's estimates, but still has allowed \$100,000 more than the 1947 amount. It is not the intention of the committee to increase the number of assistant postmasters in second-class post offices, where clerks are competent and able to perform such duties, and all funds for this purpose have been eliminated. It is also suggested that the appropriate legislative committee consider the advisability of limiting the appointment of assistant postmasters in the smaller second-class post offices. In the absence of such legislation, and in the interests of economy, the committee is restricting

the appropriation in such manner as to prevent assignment of assistant postmasters to these smaller offices.

Clerks, first- and second-class post offices.—It is proposed that \$487,000,000, or \$9,784,000 more than 1947, be appropriated for fiscal 1948. The committee has eliminated funds for new positions and believes that careful supervision will reduce expenditures for overtime and substitute employment. The Department must proceed cautiously when filling future vacancies for the committee does not look with favor on further increases in this item, and strongly urges the Department to effect retrenchments prior to submitting estimates for the 1949 appropriation bill.

Clerks, third-class post offices.—Although about \$500,000 more than in 1947 is allowed in 1948, for a total of \$24,000,000, requests for large numbers of additional clerks have not been allowed. The conversion of these positions to the new classification system has proceeded more slowly than was anticipated and the committee believes the amount herein should prove adequate. Allocations should be so administered as to prevent a deficiency in this item.

City delivery service.—Including all pay increases allowed in 1947, this service has estimated obligations of about \$288,000,000 for the current year, and the committee recommends increasing this sum by \$7,300,000 in 1948. The estimates included funds for 200 new positions. It is not felt that these are necessary, and the committee has accordingly reduced the amount of the appropriation. The item as reported makes provision for all salary increases and promotions according to law.

Rural delivery service.—In allowing \$129,167,000 for rural delivery service in 1948, a full continuance of present service and some extensions as required by law will be possible. Modern modes of transportation have made as much change in the rural delivery service as in any other phase of Government activity. The average length of rural routes today is twice what it was prior to the advent of automobiles and improved roads. However, there are many money-saving consolidations of routes and other such adjustments made possible by improved conditions, to which the Post Office Department should give urgent attention. It is the committee's opinion that if full advantage is taken of these money-saving measures, it will be possible to render all required service and at the same time avoid adding 150 additional carriers to the list as proposed in the budget estimates. Therefore a reduction of \$200,000 has been made in the estimates. Furthermore, a careful survey with the view to accomplishing every possible consolidation should result in a materially reduced appropriation for 1949 and subsequent fiscal years.

Special-delivery service.—Within the last 2 years special-delivery carriers have been transferred from a fee basis to a salary basis and now are also paid an allowance of 75 cents per hour for use of their automobiles. Abuse of this allowance provision and of the change from fee to salary might well result not only in excessive cost to the Government but in less efficient service. In its study of the expenditures of the Post Office Department the committee has observed that the rate paid special-delivery carriers for the use of their automobiles under this act is in excess of the amount which is paid on contract for other vehicles, and is apprehensive that the statutory rate of 75 cents per hour for one character of service may result in increased

costs for similar vehicles for other postal purposes. It is therefore suggested that this situation be thoroughly studied by the appropriate legislative committee with a view toward effecting an equitable adjustment. Meanwhile, all postmasters should be instructed to supervise this service most thoroughly, both in the interests of economy and efficiency.

Village-delivery service.—For this, \$300,000 is allowed for 1948. The Department is to be commended for not extending this service and it is hoped that at an early date adjustments can be made to accommodate those now receiving it so that this item can be eliminated.

Miscellaneous items, first- and second-class post offices.—The sum of \$3,600,000 is allotted for 1948, a reduction of \$357,000 from the requested amount. In arriving at this figure, the committee believes that marked reductions can be made in the amounts requested for travel and communications, for which a total of more than \$1,390,000 was asked. The reduction should not be enforced entirely against cleaning allotments at this time although the Department should study means by which present standards of cleanliness can be improved with a reduced force.

Contract stations.—Contract stations have always been the source of considerable revenue to the postal service at a minimum of expenditure. The number of stations in recent years has been reduced on account of the inability of department stores and other such business institutions, which formerly maintained postal stations at very little cost to the Post Office Department, to secure the necessary personnel to maintain them. The result has been the closing of many such stations. It is expected that as normal business conditions are restored it will again be possible for the Post Office Department to take advantage of these stations. Such an expansion is considered extremely advisable, and the amount carried in this bill is \$400,000 more than 1947. It has been demonstrated that contract stations are not only money makers for the Post Office, but that they also are a convenience to the public, and every effort should be made to increase their number if it can be done without disproportionate increases in costs under present conditions.

FIELD SERVICE, SECOND ASSISTANT POSTMASTER GENERAL

| Appropriation for 1947 and estimated deficiency | Budget estimate for 1948 | Recommended in bill for 1948 | Increase (+) or decrease (–), bill compared with 1947 appropriation | Increase (+) or decrease (–), bill compared with 1948 estimates |
|---|--------------------------|------------------------------|---|---|
| \$350,931,900 | \$339,886,400 | \$334,595,000 | –\$16,336,900 | –\$5,541,400 |

(The 1947 figure includes all pay increases granted by the 79th Cong.)

This heading includes star-route services, railway mail, air mail, and mail to foreign countries. Except for salaries of railway mail clerks, the appropriation is made up almost entirely of contractual costs for the transportation of mail. Of the above recommended sum, \$254,505,000 is for railway mail service, and \$18,515,000 for foreign mail, both of which will be dealt with in separate subheads.

Star-route service (except Alaska).—Although the amount included in this bill for this service in 1948, \$22,500,000, is \$1,079,000 more than estimated obligations for 1947, it is a reduction from the estimates which contemplate an increase of \$693,000 in the cost of contracts which will be readvertised on July 1, plus an additional amount of \$114,000 for the cost of readvertisement of routes. These figures are highly speculative and the committee is not convinced that the full amount of this increase will be realized. Furthermore, some savings can be made through elimination of several routes that are operated for convenience rather than necessity, and the Department is directed to make a survey of all routes with that idea in mind, so that greatly reduced estimates, which will not necessitate the reduction of essential service can be submitted for 1949.

The highway post office service is paid for out of this appropriation and it is the committee's intention that none of these reductions should be applied to this program, although some savings can be made in the amount requested for the purchase of additional equipment for such work. The service was operating on an experimental basis in a few localities prior to the war and has been found to meet postal requirements at a low cost. It is the committee's feeling that its development should be encouraged wherever it may be found advisable.

Domestic air mail.—The appropriation for 1947 was \$49,000,000, but there is an estimated saving of \$15,262,000 which leaves an actual cost in 1947 of \$33,738,000. This saving resulted from a lesser volume of mail than was anticipated at the time estimates for 1947 were made. The volume has been greatly increased since the Department's reduction in the rate from 8 cents to 5 cents per ounce, effective October 1, 1946. Post-office officials state that the increase has not yet been as large as they expected it to be. The estimate for 1948 contemplated an increase over actual costs in 1947 of \$4,000,000. This estimate was made at the time when there was greater optimism concerning the volume of mail to be produced by the reduction in rate than present trends indicate will be the case. The committee has, therefore, reduced the estimate by \$850,000. The Civil Aeronautics Board fixes the rate for carrying the mail on the air lines. The Solicitor of the Department has undertaken a program of better representation before the CAB at postal-rate hearings, and he has indicated that this will permit further savings. Even though mail volume exceeds present indications, this should make possible a reduction in costs in 1949.

RAILWAY MAIL SERVICE

| Appropriation for 1947 and estimated deficiency | Budget estimate for 1948 | Recommended in bill for 1948 | Increase (+) or decrease (−), bill compared with 1947 appropriation | Increase (+) or decrease (−), bill compared with 1948 estimates |
|---|--------------------------|------------------------------|---|---|
| \$256, 294, 500 | \$256, 802, 400 | \$254, 605, 000 | −\$1, 772, 500 | −\$2, 297, 400 |

The two principal items making up this total are the costs of transporting mail by train, which is in accordance with rates fixed by the Interstate Commerce Commission, and the salaries of railway mail

clerks. The Department proposed some reduction in the amount appropriated for costs of transportation and the committee has made a further reduction because the increased volume of mail the Department visualizes is not expected to materialize.

During the war the seriously disrupted train schedules and attendant delays caused the cost of overtime paid to railway mail clerks to become a large factor in the appropriation for their salaries. This item cost \$2,700,000 in fiscal 1946. The amount was considerably reduced for 1947, to \$2,088,000, but the estimates project the sum of \$1,800,000 for this purpose in 1948. Railroad schedules are not yet back to normal in every respect, but operating conditions are rapidly resuming a peacetime status. There is every reason to believe that the amount of overtime because of delayed trains will be far less than anticipated by the budget estimates. Most of the reduction from the estimates should be readily absorbed in this overtime item. Since \$104,000,000, an increase of \$890,000 over 1947, is carried in this bill for salaries of railway mail clerks, there should be ample funds to meet all other obligations.

FOREIGN MAIL

| Appropriation for 1947 and estimated deficiency | Budget estimate for 1948 | Recommended in bill for 1948 | Increase (+) or decrease (—), bill compared with 1947 appropriation | Increase (+) or decrease (—), bill compared with 1948 estimates |
|---|--------------------------|------------------------------|---|---|
| \$21,921,400 | \$19,816,000 | \$18,515,000 | —\$3,406,400 | —\$1,551,000 |

Included under this heading are the costs of shipping mail abroad by ship and plane, payments to foreign countries for handling United States mails abroad, and indemnities for loss of mail shipped abroad.

During the war almost all mail going outside the continental United States was transported in Government ships at no cost to the postal service. During the current fiscal year costs are now at an all-time high. This has been brought about largely by mailing of relief packages to European countries, a class of business which naturally is temporary in character. The Department estimates that this load will be materially reduced during the next fiscal year, and has recommended an appropriation approximately one-third below 1947 expenditures. This estimate was made in October. Subsequent experience leads to the conclusion that even a lesser amount should be sufficient.

THIRD ASSISTANT POSTMASTER GENERAL

| Appropriation for 1947 and estimated deficiency | Budget estimate for 1948 | Recommended in bill for 1948 | Increase (+) or decrease (—), bill compared with 1947 appropriation | Increase (+) or decrease (—), bill compared with 1948 estimates |
|---|--------------------------|------------------------------|---|---|
| \$12,764,000 | \$11,175,000 | \$10,800,000 | —\$2,464,000 | —\$875,000 |

The Bureau of the Third Assistant Postmaster General is the fiscal office of the Post Office Department; \$7,400,000 of the appropriation will go for the manufacture of stamps and stamped paper. The remainder of the appropriation is for payment of indemnities on domestic registered and insured mail, and for payment of money orders more than 1 year old. In this later item that Department reported that recent developments suggested a reduction in the estimates. Other reductions can easily be absorbed by efficient administration and prevention of waste.

FOURTH ASSISTANT POSTMASTER GENERAL

| Appropriation for 1947 and estimated deficiency | Budget estimate for 1948 | Recommended in bill for 1948 | Increase (+) or decrease (-), bill compared with 1947 appropriation | Increase (+) or decrease (-), bill compared with 1948 estimates |
|---|--------------------------|------------------------------|---|---|
| \$115,029,650 | \$116,142,900 | \$112,650,000 | -\$2,379,650 | -\$3,492,900 |

The Bureau of the Fourth Assistant Postmaster General has under its jurisdiction all post-office buildings, equipment, and vehicles. Of the totals for this item carried in this bill, \$52,250,000 is for maintenance and equipment of these Federal buildings, and will be discussed under a separate subhead. Other major items are:

Stationery, equipment, and supplies.—The allowance for this item is \$6,500,000 and represents a reduction of \$387,000 from the 1947 obligations. Because of this, the Bureau will have to prevent waste and extravagance in purchase and use of supplies, and to make better and longer use of existing equipment.

Equipment shops.—This item is \$55,000 higher than in 1947, but a reduction has been made from the estimates, which will tend to eliminate new work that might be desirable but not essential.

Rents, light, power, fuel, and water.—The committee has permitted an increase of \$175,000 over 1947 obligations in this item, because of lease renewals at currently higher rates, but has cut down the over-all estimates, leaving \$13,000,000, an ample sum if efficiently administered. Many post-office buildings are rented on a 10-year-lease basis. The committee believes that to enter into 10-year leases with present market-conditions is not sound economy, and endorses the announced policy of the Department to avoid these long-term commitments insofar as possible.

Vehicle service.—The sum of \$36,500,000 is carried in this bill for this service. This represents a cut from the 1947 obligations, since the amount requested for new equipment—over \$5,000,000—is excessive at the present time. Purchases can be made in smaller quantities until the market for trucks becomes more stable.

PUBLIC BUILDINGS

| Appropriation for 1947 and estimated deficiency | Budget estimate for 1948 | Recommended in bill for 1948 | Increase (+) or decrease (-), bill compared with 1947 appropriation | Increase (+) or decrease (-), bill compared with 1948 estimates |
|---|--------------------------|------------------------------|---|---|
| \$51,877,650 | \$53,393,000 | \$52,250,000 | +\$372,350 | -\$1,143,000 |

Custodial service, maintenance supplies, and furniture for post-office buildings are included under this heading, the largest item being for custodial service, for which \$44,750,000 is carried in this bill. This represents an increase of more than a half million dollars over the 1947 obligations, to permit statutory promotions. In making a reduction from the estimates it was felt that night work and overtime can be scaled down considerably. The Department should study the entire field of custodial services, with a view toward recommending savings prior to 1949. At the same time, a drive should be instituted to prevent defacing and other acts of vandalism in Federal buildings. The tendency to damage post offices in this way is not only costing the country large sums of money each year, but it is also an unfortunate indication of the respect with which many citizens consider their Government's property.

The other items under this heading are \$6,750,000 for operating supplies, and \$750,000 for furnishings. Both these sums are less than requested, and less than obligations for 1947, but it is the committee's opinion that economies can be effected in expenditures for both items. The character of materials supplied is such as to link them readily to wasteful use, and considerable amounts can be saved through the practice of strictest economy and close supervision of purchases.

COMPARATIVE STATEMENT OF THE APPROPRIATIONS FOR 1947, THE ESTIMATES FOR 1948, AND AMOUNTS RECOMMENDED IN THE BILL

TITLE I—TREASURY DEPARTMENT

| Object | Appropriations for 1947 | Budget estimates for 1948 | Recommended in bill for 1948 | Increase (+) or decrease (—) bill compared with 1947 appropriations | Increase (+) or decrease (—) bill compared with 1948 estimates |
|--|----------------------------|------------------------------|---------------------------------|--|---|
| OFFICE OF SECRETARY OF TREASURY | | | | | |
| Secretary's office, salaries----- | \$432, 000 | \$489, 000 | \$409, 000 | — \$23, 000 | — \$80, 000 |
| Cost of handling penalty mail----- | 4, 400, 000 | 6, 764, 000 | 6, 700, 000 | + 2, 300, 000 | — 64, 000 |
| Personal or property damage claims----- | ----- | 20, 000 | 20, 000 | + 20, 000 | ----- |
| Refunds under Renegotiation Act----- | 15, 000, 000 | ----- | ----- | — 15, 000, 000 | ----- |
| Division of Tax Research----- | 175, 000 | 202, 100 | ----- | — 175, 000 | — 202, 100 |
| Tax Legislative Counsel----- | 89, 000 | 102, 800 | ----- | — 89, 000 | — 102, 800 |
| Foreign Funds Control----- | 1, 000, 000 | ----- | ----- | — 1, 000, 000 | ----- |
| Division of Research and Statistics----- | 165, 000 | 190, 400 | ----- | — 165, 000 | — 190, 400 |
| General Counsel's office, salaries----- | 177, 050 | 200, 300 | 450, 000 | + 272, 950 | + 249, 700 |
| Personnel Division----- | 196, 200 | 227, 000 | 127, 000 | — 69, 200 | — 100, 000 |
| Health service programs----- | ----- | 138, 700 | 75, 000 | + 75, 000 | — 63, 700 |
| Chief, clerk, office of, salaries----- | 1 361, 500 | 444, 600 | 326, 000 | — 35, 500 | — 118, 600 |
| Miscellaneous expenses----- | 230, 000 | 245, 000 | 225, 000 | — 5, 000 | — 20, 000 |

| | | | | | |
|--|-----------------------|---------------------------|--------------|---------------|--------------|
| Printing and binding----- | 28, 000 | 35, 000 | 35, 000 | + 7, 000 | ----- |
| Treasury buildings: Custodial force, salaries----- | 555, 000 | 677, 600 | 650, 000 | + 95, 000 | -27, 600 |
| Total, Office of Secretary of the Treasury, including special items----- | 22, 808, 750 | 9, 736, 500 | 9, 017, 000 | -13, 791, 750 | -719, 500 |
| BUREAU OF ACCOUNTS | | | | | |
| Salaries and expenses----- | 925, 400 | ² 1, 216, 000 | 1, 016, 000 | + 90, 600 | -200, 000 |
| Printing and binding----- | 35, 000 | 45, 700 | 60, 000 | + 25, 000 | +14, 300 |
| Disbursement, Division of: | | | | | |
| Salaries and expenses----- | 6, 275, 000 | ³ 11, 535, 000 | 9, 935, 000 | + 3, 660, 000 | -1, 600, 000 |
| Printing and binding----- | 184, 000 | ⁴ 189, 100 | 170, 000 | -14, 000 | -19, 100 |
| Contingent expenses, public moneys----- | 415, 000 | 400, 000 | 400, 000 | -15, 000 | ----- |
| Relief of indigent of Alaska----- | 19, 000 | 14, 000 | 14, 000 | -5, 000 | ----- |
| Deposit of withheld taxes, salaries and expenses----- | 475, 000 | 475, 000 | 460, 000 | -15, 000 | -15, 000 |
| Recoinage of silver coins----- | 140, 000 | 240, 000 | 200, 000 | + 60, 000 | -40, 000 |
| Refund of moneys----- | ⁵ 800, 000 | ⁵ 800, 000 | 700, 000 | -100, 000 | -100, 000 |
| Payment of certified claims----- | ⁵ 800, 000 | ⁵ 800, 000 | 700, 000 | -100, 000 | -100, 000 |
| Total, Bureau of Accounts----- | 10, 068, 400 | 15, 714, 800 | 13, 655, 000 | + 3, 586, 600 | -2, 059, 800 |

- ¹ Includes \$11,500 appropriated in Third Deficiency Appropriation Act, 1946.
² Includes \$240,501 previously carried under certain appropriations for the State Department.
³ Includes \$296,497 previously carried under certain appropriations for various Government departments.
⁴ Includes \$6,500 previously carried under certain appropriations for various Government departments.
⁵ Indefinite appropriations—amounts shown are estimates.

TITLE I—TREASURY DEPARTMENT—Continued

| Object | Appropriations for 1947 | Budget estimates for 1948 | Recommended in bill for 1948 | Increase (+) or decrease (—) bill compared with 1947 appropriations | Increase (+) or decrease (—) bill compared with 1948 estimates |
|--|----------------------------|------------------------------|---------------------------------|--|---|
| BUREAU OF THE PUBLIC DEBT | | | | | |
| Administering the public debt----- | \$65, 300, 000 | \$68, 300, 000 | \$64, 800, 000 | —\$500, 000 | —\$3, 500, 000 |
| Distinctive paper for United States securities----- | 775, 000 | 1, 146, 000 | 1, 113, 000 | + 338, 000 | —33, 000 |
| Total, Bureau of the Public Debt----- | 66, 075, 000 | 69, 446, 000 | 65, 913, 000 | —162, 000 | —3, 533, 000 |
| OFFICE OF TREASURER OF UNITED STATES | | | | | |
| Salaries and expenses----- | 4, 750, 000 | \$ 5, 485, 000 | 4, 900, 000 | + 150, 000 | —585, 000 |
| Federal Reserve and National currency, salaries for redemption of (reimbursable)----- | 110, 000 | (7) | ----- | —110, 000 | ----- |
| Printing and binding----- | 215, 000 | \$ 156, 000 | 140, 000 | —75, 000 | —16, 000 |
| Total, Treasurer's office----- | 5, 075, 000 | 5, 641, 000 | 5, 040, 000 | —35, 000 | —601, 000 |
| COAST GUARD | | | | | |
| Salaries, office of commandant----- | 1, 697, 500 | \$ 2, 486, 000 | | | |
| Pay and allowances----- | 74, 010, 000 | 82, 326, 000 | | | |
| General expenses----- | 30, 195, 000 | ¹⁰ 37, 016, 000 | | | |

| | | | | | |
|---|----------------|----------------|--------------|----------------|----------------|
| Civilian employees----- | 2, 281, 000 | 11 4, 428, 000 | | | |
| Establishing and improving aids to navigation----- | 3, 390, 000 | 2, 800, 000 | 97, 000, 000 | - 19, 226, 000 | - 35, 904, 400 |
| Acquisition of vessels and shore facilities----- | 1, 375, 000 | 2, 869, 000 | | | |
| Retired pay, former Lighthouse Service----- | 976, 000 | 979, 400 | | | |
| Salaries, Merchant Marine Inspection----- | 431, 500 | (12) | | | |
| Salaries and expenses Merchant Marine Inspection----- | 1, 870, 000 | (13) | | | |
| Total, Coast Guard----- | 116, 226, 000 | 132, 904, 400 | 97, 000, 000 | - 19, 226, 000 | - 35, 904, 400 |
| CUSTOMS SERVICE | | | | | |
| Salaries and expenses----- | 29, 350, 000 | 36, 000, 000 | 32, 500, 000 | + 3, 150, 000 | - 3, 500, 000 |
| Printing and binding----- | 80, 000 | 100, 000 | 95, 000 | + 15, 000 | - 5, 000 |
| Refunds and draw-backs----- | 5 15, 000, 000 | 5 18, 000, 000 | 15, 000, 000 | ----- | - 3, 000, 000 |
| Total, Customs Service----- | 44, 430, 000 | 54, 100, 000 | 47, 595, 000 | + 3, 165, 000 | - 6, 505, 000 |

⁵ Indefinite appropriations—amounts are estimates.

⁶ Includes \$229,145 previously carried under certain appropriations for various Government departments.

⁷ This appropriation proposed for consolidation with item immediately above.

⁸ Includes \$1,050 previously carried under certain appropriations for various Government departments.

⁹ Includes \$497,151 transferred from "Salaries, Merchant Marine Inspection, Coast Guard."

¹⁰ Includes \$274,200 transferred from "Salaries, Merchant Marine Inspection, Coast Guard."

¹¹ Includes \$1,754,818 transferred from "Salaries, Merchant Marine Inspection, Coast Guard."

¹² Proposed for consolidation with appropriation "Salaries, Office of Commandant, Coast Guard."

¹³ Transferred to "Civilian employees, Coast Guard," \$1,754,818 and to "General expenses, Coast Guard," \$274,200.

Comparative statement of the appropriations for 1947, the estimates for 1948, and amounts recommended in the bill—Con.

TITLE I—TREASURY DEPARTMENT—Continued

| Object | Appropriations for 1947 | Budget estimates for 1948 | Recommended in bill for 1948 | Increase (+) or decrease (—) bill compared with 1947 appropriations | Increase (+) or decrease (—) bill compared with 1948 estimates |
|--|----------------------------|------------------------------|---------------------------------|--|---|
| INTERNAL REVENUE BUREAU | | | | | |
| Expenses of assessing and collecting taxes... | \$184, 700, 000 | \$208, 000, 000 | \$178, 000, 000 | —\$6, 700, 000 | —\$30, 000, 000 |
| Additional income tax on railroads in Alaska----- | 7, 000 | 3, 500 | 3, 500 | —3, 500 | ----- |
| Refunding internal revenue collections----- | \$ 2, 108, 000, 000 | \$ 2, 031, 000, 000 | 1, 231, 000, 000 | —877, 000, 000 | —800, 000, 000 |
| Total, Bureau of Internal Revenue-- | 2, 292, 707, 000 | 2, 239, 003, 500 | 1, 409, 003, 500 | —883, 703, 500 | —830, 000, 000 |
| BUREAU OF NARCOTICS | | | | | |
| Salaries and expenses----- | 1, 300, 000 | 1, 506, 400 | 1, 430, 000 | + 130, 000 | —76, 400 |
| Printing and binding----- | 4, 000 | 4, 000 | 4, 000 | ----- | ----- |
| Total, Bureau of Narcotics----- | 1, 304, 000 | 1, 510, 400 | 1, 434, 000 | + 130, 000 | —76, 400 |
| BUREAU OF ENGRAVING AND PRINTING | | | | | |
| Salaries and expenses----- | 11, 750, 000 | 13, 500, 000 | 12, 000, 000 | + 250, 000 | —1, 500, 000 |
| Printing and binding----- | 5, 500 | 5, 500 | 5, 000 | --500 | —500 |
| Total, Bureau of Engraving and Printing----- | 11, 755, 500 | 13, 505, 500 | 12, 005, 000 | + 249, 500 | —1, 500, 500 |

| SECRET SERVICE | | | | | |
|---|-----------|-----------|-----------|----------|----------|
| Departmental salaries----- | 100,000 | 110,000 | 85,000 | -15,000 | -25,000 |
| Printing and binding----- | 8,000 | 8,000 | 8,000 | ----- | ----- |
| Suppressing counterfeiting and ¹ other crimes----- | 1,800,000 | 2,047,000 | 1,550,000 | -250,000 | -497,000 |
| White House Police, salaries----- | 325,000 | 372,900 | 270,000 | -55,000 | -102,900 |
| Uniforms and equipment----- | 9,000 | 9,000 | 6,000 | -3,000 | -3,000 |
| Guard force, salaries----- | 825,000 | 849,700 | 720,000 | -105,000 | -129,700 |
| Reimbursement to District of Columbia----- | 45,000 | 68,500 | 68,500 | +23,500 | ----- |
| Total, Secret Service----- | 3,112,000 | 3,465,100 | 2,707,500 | -404,500 | -757,600 |
| BUREAU OF THE MINT | | | | | |
| Director's office, salaries and expenses----- | 170,000 | 191,250 | 185,000 | +15,000 | -6,250 |
| Freight on bullion and coin----- | 85,000 | 24,500 | 22,500 | -62,500 | -2,000 |
| Operation of mints and assay offices----- | 6,000,000 | 6,960,600 | 6,250,000 | +250,000 | -710,600 |
| Printing and binding----- | 9,500 | 10,500 | 10,000 | +500 | -500 |
| Total, mints and assay offices----- | 6,264,500 | 7,186,850 | 6,467,500 | +203,000 | -719,350 |

¹ Indefinite appropriations—amounts are estimates.

Comparative statement of the appropriations for 1947, the estimates for 1948, and amounts recommended in the bill—Con.

TITLE I—TREASURY DEPARTMENT—Continued

| Object | Appropriations for 1947 | Budget estimates for 1948 | Recommended in bill for 1948 | Increase (+) or decrease (—) bill compared with 1947 appropriations | Increase (+) or decrease (—) bill compared with 1948 estimates |
|--|----------------------------|------------------------------|---------------------------------|--|---|
| BUREAU OF FEDERAL SUPPLY | | | | | |
| Salaries and expenses----- | \$1, 227, 000 | \$1, 635, 200 | \$1, 310, 000 | + \$83, 000 | — \$325, 200 |
| Printing and binding----- | 150, 000 | 185, 000 | 170, 000 | + 20, 000 | — 15, 000 |
| Strategic and critical materials, national defense----- | 100, 000, 000 | | | — 100, 000, 000 | |
| Total, Bureau of Federal Supply---- | 101, 377, 000 | 1, 820, 200 | 1, 480, 000 | — 99, 897, 000 | — 340, 200 |
| Total, Treasury Department, title I, regular annual appropriations---- | 2, 681, 203, 150 | 2, 554, 034, 250 | 1, 671, 317, 500 | — 1, 009, 885, 650 | — 882, 716, 750 |
| PERMANENT APPROPRIATIONS | | | | | |
| General and special funds: | | | | | |
| Interest on deposits of public money of Philippine Islands----- | 2, 546, 216 | 2, 100, 000 | 2, 100, 000 | — 446, 216 | |
| Pershing Hall memorial fund----- | 5, 043 | 5, 043 | 5, 043 | | |
| Redemption of bonds from repayment of Public Works Administration loans----- | 8, 000, 000 | 5, 000, 000 | 5, 000, 000 | — 3, 000, 000 | |
| Sinking fund----- | 587, 560, 000 | 587, 560, 000 | 587, 560, 000 | | |
| Interest on the public debt----- | 4, 950, 000, 000 | 5, 000, 000, 000 | 5, 000, 000, 000 | + 50, 000, 000 | |

| | | | | | | |
|---|----------------|----------------|----------------|----------------|--------------|--------------|
| Miscellaneous gifts, forfeitures, etc. | 5,000 | 5,000 | 225,000 | 225,000 | —64,000 | --- |
| Obligations retired from Federal Intermediate Credit Bank franchise tax receipts | 289,000 | 225,000 | | | | --- |
| Contingent expenses, national currency (reimbursable) | 2,500 | | | | —2,500 | --- |
| Total, general and special funds | 5,548,407,759 | 5,594,895,043 | 5,594,895,043 | 5,594,895,043 | +46,487,284 | --- |
| Trust funds: | | | | | | --- |
| Federal old-age and survivors insurance trust fund | 1,517,800,000 | 2,177,400,000 | 2,177,400,000 | 2,177,400,000 | +659,600,000 | --- |
| Unemployment trust fund | 1,261,714,985 | 1,413,673,778 | 1,413,673,778 | 1,413,673,778 | +151,958,793 | --- |
| Unclaimed moneys, payment of | 100,000 | 100,000 | | 100,000 | | --- |
| Philippine trust fund, coconut oil (internal revenue) | 69,940 | | | | —69,940 | --- |
| Puerto Rico trust fund (internal revenue) | 2,600 | 2,600 | | 2,600 | | --- |
| Expenses, Prohibition Act, Puerto Rico and Virgin Islands | 93,000 | 105,600 | | 105,600 | +12,600 | --- |
| American Samoa trust fund | 2,200 | 2,200 | | 2,200 | | --- |
| Total, trust funds | 2,779,782,725 | 3,591,284,178 | 3,591,284,178 | 3,591,284,178 | +811,501,453 | --- |
| Total, permanent appropriations, including trust funds | 8,328,190,484 | 9,186,179,221 | 9,186,179,221 | 9,186,179,221 | +857,988,737 | --- |
| Grand total, Treasury Department; regular annual, indefinite, and permanent appropriations, including trust funds | 11,009,393,634 | 11,740,213,471 | 11,740,213,471 | 10,857,496,721 | —151,896,913 | —882,716,750 |

Comparative statement of the appropriations for 1947, the estimates for 1948, and amounts recommended in the bill—Con.

TITLE II—POST OFFICE DEPARTMENT

| Object | 1947 appropriations and estimated deficiency | Budget estimates for 1948 | Recommended in bill for 1948 | Increase (+) or decrease (—), bill compared with 1947 appropriations and estimated deficiency | Increase (+) or decrease (—), bill compared with 1948 estimates |
|--|--|------------------------------|---------------------------------|---|--|
| POST OFFICE DEPARTMENT, WASHINGTON, D. C. | | | | | |
| <i>Salaries</i> | | | | | |
| Postmaster General, office of----- | \$392, 979 | \$413, 200 | \$375, 000 | —\$17, 979 | —\$38, 200 |
| Office of Budget and Administrative Plan- ning----- | 58, 450 | 59, 500 | 59, 500 | +1, 050 | ----- |
| First Assistant Postmaster General, office of----- | 1, 114, 100 | 1, 161, 000 | 1, 100, 000 | —14, 100 | —61, 000 |
| Second Assistant Postmaster General, office of----- | 898, 400 | 938, 500 | 900, 000 | +1, 600 | —38, 500 |
| Third Assistant Postmaster General, office of----- | 1, 319, 950 | 1, 361, 000 | 1, 325, 000 | +5, 050 | —36, 000 |
| Fourth Assistant Postmaster General, of- fice of----- | 722, 900 | 761, 700 | 700, 000 | —22, 900 | —61, 700 |
| Solicitor's office----- | 220, 250 | 314, 000 | 250, 000 | +29, 750 | —64, 000 |
| Chief inspector's office----- | 411, 800 | 430, 400 | 400, 000 | —11, 800 | —30, 400 |
| Purchasing agent's office----- | 78, 450 | 83, 800 | 78, 000 | —450 | —5, 800 |
| Bureau of Accounts----- | 602, 400 | 516, 000 | 500, 000 | —102, 400 | —16, 000 |
| Total salaries----- | 5, 819, 679 | 6, 039, 100 | 5, 687, 500 | —132, 179 | —351, 600 |

| | | | | | |
|--|-------------|-------------|-------------|-----------|-----------|
| <i>Contingent</i> | | | | | |
| Miscellaneous expenses, Washington----- | 155, 000 | 190, 000 | 145, 000 | -10, 000 | -45, 000 |
| Printing and binding----- | 1, 825, 000 | 1, 731, 000 | 1, 500, 000 | -325, 000 | -231, 000 |
| Total, contingent expenses, Washington----- | 1, 980, 000 | 1, 921, 000 | 1, 645, 000 | -335, 000 | -276, 000 |
| Grand total, Post Office Department, Washington, D. C----- | 7, 799, 679 | 7, 960, 100 | 7, 332, 500 | -467, 179 | -627, 600 |
| POSTAL SERVICE | | | | | |
| <i>Office of Postmaster General</i> | | | | | |
| Travel and miscellaneous expenses----- | 3, 000 | 3, 000 | 3, 000 | ----- | ----- |
| Personal property claims----- | 214, 000 | 284, 500 | 230, 000 | +16, 000 | -54, 500 |
| Adjusted losses and contingencies----- | 80, 500 | 81, 500 | 75, 000 | -5, 500 | -6, 500 |
| Inspectors: | | | | | |
| Salaries of----- | 4, 101, 700 | 4, 402, 000 | 4, 300, 000 | +198, 300 | -102, 000 |
| Traveling and miscellaneous expenses of----- | 960, 000 | 973, 900 | 960, 000 | ----- | -13, 900 |
| Clerks at headquarters----- | 1, 250, 400 | 1, 293, 000 | 1, 178, 000 | -72, 400 | -115, 000 |
| Rewards, payment of----- | 55, 000 | 75, 500 | 55, 000 | ----- | -20, 500 |
| Total, office of Postmaster General-- | 6, 664, 600 | 7, 113, 400 | 6, 801, 000 | +136, 400 | -312, 400 |

Comparative statement of the appropriations for 1947, the estimates for 1948, and amounts recommended in the bill—Con.

TITLE II—POST OFFICE DEPARTMENT—Continued

| Object | 1947 appropriations and estimated deficiency | Budget estimates for 1948 | Recommended in bill for 1948 | Increase (+) or decrease (—), bill compared with 1947 appropriations and estimated deficiency | Increase (+) or decrease (—), bill compared with 1948 estimates |
|---|--|---------------------------|------------------------------|---|---|
| POST OFFICE DEPARTMENT, WASHINGTON, D. C.—continued | | | | | |
| <i>First Assistant Postmaster General</i> | | | | | |
| Postmasters----- | \$88, 220, 000 | \$87, 671, 000 | \$87, 470, 000 | + \$750, 000 | — \$201, 000 |
| Assistant postmasters----- | 12, 700, 000 | 13, 656, 000 | 12, 800, 000 | + 100, 000 | — 856, 000 |
| Clerks, first- and second-class post offices-- | 477, 216, 000 | 487, 664, 000 | 487, 000, 000 | + 9, 784, 000 | — 664, 000 |
| Contract stations----- | 3, 100, 000 | 3, 525, 000 | 3, 500, 000 | + 400, 000 | — 25, 000 |
| Separating mails at third- and fourth-class post offices----- | 180, 000 | 184, 000 | 180, 000 | ----- | — 4, 000 |
| Unusual conditions at post offices----- | 50, 000 | 25, 000 | 25, 000 | — 25, 000 | ----- |
| Clerks, third-class post offices----- | 23, 512, 000 | 24, 564, 000 | 24, 000, 000 | + 488, 000 | — 564, 000 |
| Miscellaneous items, first- and second-class post offices----- | 3, 805, 000 | 3, 957, 000 | 3, 600, 000 | — 205, 000 | — 357, 000 |
| Village delivery service----- | 325, 000 | 333, 700 | 300, 000 | — 25, 000 | — 33, 700 |
| Detroit River postal service----- | 12, 990 | 12, 750 | 12, 750 | — 240 | ----- |
| Fare and bicycle allowance including special-delivery fare----- | 1, 950, 500 | 1, 900, 000 | 1, 700, 000 | — 250, 500 | — 200, 000 |

| | | | | | |
|---|------------------|------------------|------------------|----------------|---------------|
| Letter carriers, city delivery service----- | 288, 000, 000 | 295, 638, 000 | 295, 300, 000 | + 7, 300, 000 | - 338, 000 |
| Fees to special-delivery messengers----- | 13, 988, 000 | 14, 314, 000 | 14, 000, 000 | + 12, 000 | - 314, 000 |
| Rural delivery service----- | 132, 126, 000 | 129, 367, 000 | 129, 167, 000 | - 2, 959, 000 | - 200, 000 |
| Total, office of First Assistant----- | 1, 045, 185, 490 | 1, 062, 811, 450 | 1, 059, 054, 750 | + 13, 869, 260 | - 3, 756, 700 |
| <i>Second Assistant Postmaster General</i> | | | | | |
| Inland transportation: | | | | | |
| Star-route service (except Alaska)----- | 21, 421, 000 | 22, 803, 000 | 22, 500, 000 | + 1, 079, 000 | - 303, 000 |
| Star routes in Alaska----- | 460, 000 | 490, 000 | 415, 000 | - 45, 000 | - 75, 000 |
| Steamboat or other powerboat routes----- | 1, 600, 000 | 1, 900, 000 | 1, 700, 000 | + 100, 000 | - 200, 000 |
| Railroad routes and mail-messenger service----- | 147, 500, 000 | 145, 777, 000 | 145, 000, 000 | - 2, 500, 000 | - 777, 000 |
| Railway Mail Service: | | | | | |
| Salaries----- | 103, 110, 000 | 105, 245, 000 | 104, 000, 000 | + 890, 000 | - 1, 245, 000 |
| Travel allowance to railway postal clerks----- | 5, 203, 000 | 5, 246, 000 | 5, 000, 000 | - 203, 000 | - 246, 000 |
| Travel expenses, superintendents, chief clerks, etc----- | 58, 000 | 58, 000 | 55, 000 | - 3, 000 | - 3, 000 |
| Rent, light, fuel, etc----- | 423, 500 | 476, 400 | 450, 000 | + 26, 500 | - 26, 400 |
| By electric and cable cars----- | 235, 000 | 225, 000 | 210, 000 | - 25, 000 | - 15, 000 |
| Foreign mail transportation (excluding foreign air mail)----- | 15, 691, 000 | 10, 301, 000 | 9, 500, 000 | - 6, 191, 000 | - 801, 000 |

Comparative statement of the appropriations for 1947, the estimates for 1948, and amounts recommended in the bill—Con.

TITLE II—POST OFFICE DEPARTMENT—Continued

| Object | 1947 appropriations and estimated deficiency | Budget estimates for 1948 | Recommended in bill for 1948 | Increase (+) or decrease (—), bill compared with 1947 appropriations and estimated deficiency | Increase (+) or decrease (—), bill compared with 1948 estimates |
|--|--|---------------------------|------------------------------|---|---|
| POST OFFICE DEPARTMENT, WASHINGTON, D. C.—continued | | | | | |
| <i>Second Assistant Postmaster General—Con.</i> | | | | | |
| Foreign countries, balances due----- | (2) | \$3, 500, 000 | \$3, 250, 000 | +\$3, 250, 000 | --\$250, 000 |
| Foreign air-mail transportation----- | \$6, 216, 000 | 6, 000, 000 | 5, 500, 000 | -716, 000 | -500, 000 |
| Indemnities for loss or injury of international mail----- | 14, 400 | 15, 000 | 15, 000 | +600 | ----- |
| Domestic air-mail transportation----- | 49, 000, 000 | 37, 850, 000 | 37, 000, 000 | -12, 000, 000 | -850, 000 |
| Total, Office of Second Assistant----- | 350, 931, 900 | 339, 886, 400 | 334, 595, 000 | -16, 336, 900 | -5, 291, 400 |
| <i>Third Assistant Postmaster General</i> | | | | | |
| Stamps, stamped envelopes, newspaper wrappers, and postal cards----- | 8, 273, 000 | 7, 515, 000 | 7, 400, 000 | -873, 000 | -115, 000 |
| Indemnity for loss of registered mails, etc.-- | 3, 064, 000 | 2, 540, 000 | 2, 300, 000 | -764, 000 | -240, 000 |
| Unpaid money orders----- | 1, 427, 000 | 1, 120, 000 | 600, 000 | -827, 000 | -520, 000 |
| Total, Office of Third Assistant----- | 12, 764, 000 | 11, 175, 000 | 10, 300, 000 | -2, 464, 000 | -875, 000 |

For the Assistant Postmaster General

| | | | | | |
|--|-------------------|-------------------|-------------------|-------------------|----------------|
| Stationery, equipment, and supplies----- | 6, 887, 000 | 7, 085, 000 | 6, 500, 000 | -387, 000 | -585, 000 |
| Equipment shops----- | 3, 145, 000 | 3, 600, 000 | 3, 200, 000 | +55, 000 | -400, 000 |
| Rent, light, and fuel----- | 13, 035, 000 | 13, 457, 000 | 13, 000, 000 | -35, 000 | -457, 000 |
| Pneumatic-tube service (New York and Boston)----- | 701, 000 | 701, 900 | 700, 000 | -1, 000 | -1, 900 |
| Vehicle service----- | 38, 864, 000 | 37, 386, 000 | 36, 500, 000 | -2, 364, 000 | -886, 000 |
| Transportation of equipment----- | 520, 000 | 520, 000 | 500, 000 | -20, 000 | -20, 000 |
| Public buildings, maintenance and operation: | | | | | |
| Operating force----- | 44, 184, 700 | 45, 393, 000 | 44, 750, 000 | +565, 300 | -643, 000 |
| Operating supplies----- | 6, 874, 950 | 7, 000, 000 | 6, 750, 000 | -124, 950 | -250, 000 |
| Furniture, etc----- | 818, 000 | 1, 000, 000 | 750, 000 | -68, 000 | -250, 000 |
| Total, Office of Fourth Assistant----- | 115, 029, 650 | 116, 142, 900 | 112, 650, 000 | -2, 379, 650 | -3, 492, 900 |
| Total, Postal Service----- | 1, 530, 575, 640 | 1, 537, 129, 150 | 1, 523, 400, 750 | -7, 174, 890 | -13, 728, 400 |
| Total, Post Office, departmental----- | 7, 699, 679 | 7, 960, 100 | 7, 332, 500 | -467, 179 | -627, 600 |
| Grand total, Post Office Department----- | 1, 538, 375, 319 | 1, 545, 089, 250 | 1, 530, 733, 250 | -7, 642, 069 | -14, 356, 000 |
| Grand total, titles I and II----- | 4, 219, 578, 469 | 4, 099, 123, 500 | 3, 202, 050, 750 | -1, 017, 527, 719 | -897, 072, 750 |
| Grand total, including permanent appropriations and trust funds----- | 12, 547, 768, 953 | 13, 285, 302, 721 | 12, 388, 029, 971 | -159, 538, 982 | -897, 072, 750 |

¹ Includes \$8,179 appropriated in Third Deficiency Appropriation Act, 1946.² Unexpended balance continued available.¹⁴ Includes \$82,152,850 (H. Doc. No. 100, as amended by H. Doc. No. 157); \$176,642,400 (H. Doc. No. 117).

O

80TH CONGRESS
1ST SESSION

H. R. 2436

[Report No. 103]

IN THE HOUSE OF REPRESENTATIVES

MARCH 7, 1946

MR. CANFIELD, from the Committee on Appropriations, reported the following bill; which was committed to the Committee of the Whole House on the State of the Union and ordered to be printed

A BILL

Making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1948, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 TITLE I—TREASURY DEPARTMENT

4 That the following sums are appropriated, out of any money
5 in the Treasury not otherwise appropriated, for the Treasury
6 Department for the fiscal year ending June 30, 1948,
7 namely:

1 OFFICE OF THE SECRETARY

2 Salaries: For personal services in the District of Colum-
3 bia, \$409,000: *Provided*, That no part of the money appro-
4 priated shall be used to pay the salaries of more than
5 eighteen messengers assigned to duty in the Office of the
6 Secretary.

7 Personal or property damage claims: For payment of
8 claims pursuant to part 2 of the Federal Tort Claims Act
9 of August 2, 1946 (Public Law 601), \$20,000.

10 Penalty mail costs: For deposit in the general fund of
11 the Treasury for cost of penalty mail of the Treasury De-
12 partment as required by the Act of June 28, 1944,
13 \$6,700,000.

14 OFFICE OF GENERAL COUNSEL

15 Salaries: For personal services in the District of Colum-
16 bia, \$450,000.

17 DIVISION OF PERSONNEL

18 Salaries: For personal services in the District of
19 Columbia, \$127,000.

20 Health service programs, Treasury Department: For
21 expenses necessary in maintaining health service programs,
22 pursuant to Public Law 658, Seventy-ninth Congress, for

1 employees of the Department in the District of Columbia,
2 \$75,000: *Provided*, That other appropriations in this Act
3 shall be available for health service program in the field as
4 authorized by said Public Law 658.

5 OFFICE OF CHIEF CLERK

6 Salaries: For personal services in the District of Colum-
7 bia, \$326,000.

8 MISCELLANEOUS EXPENSES, TREASURY DEPARTMENT

9 Miscellaneous expenses: For necessary expenses of the
10 Office of the Secretary and the bureaus and offices of the
11 Treasury Department, not otherwise provided for; including
12 operating expenses of the Treasury, Treasury Annex, Audi-
13 tors', and Liberty Loan Buildings; \$225,000.

14 Printing and binding: For printing and binding for the
15 Department except such bureaus and offices as may be other-
16 wise provided for, including materials for the use of the
17 bookbinder, located in the Department, but not including
18 work done at the New York Customhouse bindery authorized
19 by the Joint Committee on Printing in accordance with the
20 Act of March 1, 1919 (44 U. S. C. 111), \$35,000.

21 CUSTODY OF TREASURY BUILDINGS

22 Salaries: For personal services in the District of Colum-

1 bia, including the operating force of the Treasury Building,
2 the Treasury Annex, the Liberty Loan Building, the Audi-
3 tors' Building, and the west and south annexes thereof.
4 \$650,000.

5 FISCAL SERVICE

6 BUREAU OF ACCOUNTS

7 Salaries and expenses: For necessary expenses in the
8 District of Columbia, including contract stenographic report-
9 ing services, \$1,016,000.

10 Salaries and expenses, deposit of withheld taxes: For
11 necessary expenses incident to the deposit of withheld
12 taxes in Government depositories pursuant to the Current
13 Tax Payment Act of 1943, including personal services in
14 the District of Columbia and reimbursement to Federal
15 Reserve banks for printing and other necessary expenses,
16 \$460,000.

17 Printing and binding: For printing and binding, Bureau
18 of Accounts, \$60,000.

19 Salaries and expenses: For necessary expenses of the
20 Division of Disbursement, including personal services in the
21 District of Columbia, \$9,935,000: *Provided*, That with the
22 approval of the Bureau of the Budget there may be trans-
23 ferred to this appropriation and to the appropriation "Print-
24 ing and binding, Division of Disbursement" from Railroad
25 Retirement Board, "Conservation and use of agricultural

1 land resources, Department of Agriculture," and from avail-
2 able corporate funds of Government-owned or -controlled
3 corporations, such sums as may be necessary to cover the
4 expense incurred in performing the function of disbursement
5 therefor.

6 Printing and binding: For printing and binding,
7 Division of Disbursement, including the cost of transporta-
8 tion to field offices of printed and bound material and the cost
9 of necessary packing boxes and packing materials, \$170,000.

10 Contingent expenses, public moneys: For contingent
11 expenses under the requirements of section 3653 of the Re-
12 vised Statutes (31 U. S. C. 545), for the collection, safekeep-
13 ing, transfer, and disbursement of the public money, trans-
14 portation of notes, bonds, and other securities of the United
15 States, transportation of gold coin and gold certificates trans-
16 ferred to Federal Reserve banks and branches, United States
17 mints and assay offices, and the Treasury, after March 9,
18 1933, actual expenses of examiners detailed to examine the
19 books, accounts, and money on hand at the several deposi-
20 tories, including national banks acting as depositories under
21 the requirements of section 3649, Revised Statutes (31
22 U. S. C. 548), also including examinations of cash accounts
23 at mints, \$400,000.

24 Recoinage of silver coins: For expenses necessary to
25 continue the recoinage of worn and uncurrent subsidiary

1 silver coins of the United States now in the Treasury or
2 hereafter received, and to reimburse the Treasurer of the
3 United States for the difference between the nominal or face
4 value of such coins and the amount the same will produce in
5 new coins, \$200,000.

6 Relief of the indigent, Alaska: For the payment to the
7 United States district judges in Alaska (not to exceed 10
8 per centum of the receipts from licenses collected outside
9 of incorporated towns in Alaska), to be expended for the
10 relief of persons in Alaska who are indigent and incapac-
11 itated through nonage, old age, sickness, or accident,
12 \$14,000.

13 Refund of moneys erroneously received and covered:
14 For meeting any expenditures of the character formerly
15 chargeable to the appropriation accounts abolished under
16 section 18 of the Permanent Appropriation Repeal Act of
17 1934, approved June 26, 1934, and any other collections
18 erroneously received and covered which are not properly
19 chargeable to any other appropriation, \$700,000.

20 Payment of certified claims: For the payment of claims
21 (not to exceed \$500 in any case) which may be certified
22 during the fiscal year 1948 by the Comptroller General of
23 the United States to be lawfully due, within the limits of,
24 and chargeable against the balances of the respective appro-
25 priations heretofore made which, after remaining unex-

1 pended, have been carried to the surplus fund pursuant to
2 section 5 of the Act of June 20, 1874 (31 U. S. C. 713),
3 \$700,000.

4 Payment of unclaimed moneys: For meeting any ex-
5 penditures of the character formerly chargeable to the
6 appropriation accounts abolished under section 17 of the
7 Permanent Appropriation Repeal Act of 1934, approved
8 June 26, 1934, payable from the funds held by the United
9 States in the trust fund receipt account "Unclaimed moneys
10 of individuals whose whereabouts are unknown", \$100,000.

11 BUREAU OF THE PUBLIC DEBT

12 Administering the public debt: For necessary expenses
13 connected with any public-debt operations authorized by
14 the Second Liberty Bond Act, as amended (31 U. S. C.
15 760-762), and with the administration of any public debt
16 or currency issues of the United States with which the Secre-
17 tary of the Treasury is charged, \$64,800,000, to be expended
18 as the Secretary of the Treasury may direct: *Provided*,
19 That from the amount appropriated herein, the Federal
20 Reserve banks and their branches may be reimbursed for
21 expenditures made by them as fiscal agents of the United
22 States on account of public-debt transactions for the account
23 of the Secretary of the Treasury, and advances to the Post-
24 master General may be made in accordance with the pro-
25 visions of section 22 (e) of the Second Liberty Bond Act,

1 as amended (31 U. S. C. 757c (e)), which section shall
2 be construed as applying to this appropriation: *Provided*
3 *further*, That the indefinite appropriation provided by sec-
4 tion 10 of the Second Liberty Bond Act, as amended, shall
5 not be available for obligation during the fiscal year 1948.

6 Distinctive paper for United States currency: For dis-
7 tinctive paper for United States currency, including trans-
8 portation of paper, traveling, mill, and other necessary ex-
9 penses, and salaries of employees and allowance, in lieu
10 of expenses, of officer or officers detailed from the Treasury
11 Department, not exceeding \$50 per month each when ac-
12 tually on duty, \$1,113,000: *Provided*, That in order to foster
13 competition in the manufacture of distinctive paper for
14 United States securities, the Secretary of the Treasury is
15 authorized, in his discretion, to split the award for such
16 paper for the fiscal year 1948 between the two bidders whose
17 prices per pound are the lowest received after advertisement.

18 OFFICE OF THE TREASURER OF THE UNITED STATES

19 Salaries and expenses: For necessary expenses of the
20 Office of the Treasurer, \$4,900,000: *Provided*, That with
21 the approval of the Bureau of the Budget, there may be
22 transferred to this appropriation and to the appropriation
23 "Printing and binding, Office of the Treasurer", from
24 Railroad Retirement Board, "Conservation and use of
25 agricultural land resources, Department of Agriculture," and

1 from available corporate funds of Government owned or con-
2 trolled corporations, such sums as may be necessary to cover
3 the expenses incurred in the clearing of checks, servicing of
4 bonds, handling of collections, and rendering of accounts
5 therefor.

6 Printing and binding: For printing and binding for
7 the Office of the Treasurer, \$140,000.

8 BUREAU OF CUSTOMS

9 Salaries and expenses: For collecting the revenue from
10 customs, for enforcement, under section 102, Reorganization
11 Plan No. III of 1946, of certain navigation laws, for the
12 detection and prevention of frauds upon the customs revenue,
13 and not to exceed \$100,000 for the securing of evidence of
14 violations of the customs and navigation laws; for expenses
15 of transportation and transfer of customs receipts from points
16 where there are no Government depositories; not to exceed
17 \$500 for subscriptions to newspapers; not to exceed \$85,000
18 for stationery; not to exceed \$12,000 for improving, repair-
19 ing, maintaining, or preserving buildings, inspection stations,
20 office quarters, including living quarters for officers, sheds,
21 and sites along the Canadian and Mexican borders acquired
22 under authority of the Act of June 26, 1930 (19 U. S. C.
23 68); and for the purchase of one hundred and fifty passenger
24 motor vehicles; for the cost of seizure, storage, and disposition

1 of any merchandise, vehicle and team, automobile, boat, air
2 or water craft, or any other conveyance seized under the
3 provisions of the customs laws; for the purchase of arms,
4 ammunition, and accessories; not to exceed \$826,000 for
5 personal services in the District of Columbia exclusive of
6 ten persons from the field force authorized to be detailed
7 under section 525 of the Tariff Act of 1930; \$32,500,000,
8 of which \$300,000 shall constitute an advance fund to enable
9 the Bureau of Customs to meet obligations incurred by it
10 arising from services rendered to private interests, pending
11 receipt of reimbursements therefrom, which amount shall
12 be returned to the Treasury not later than six months after
13 the close of the fiscal year 1948.

14 Printing and binding: For printing and binding, Bureau
15 of Customs, including the cost of transportation to field offices
16 of printed and bound material and the cost of necessary
17 packing boxes and packing materials, \$95,000.

18 Refunds and draw-backs: For the refund or payment of
19 customs collections or receipts, and for the payment of de-
20 bentures or draw-backs, bounties, and allowances, as author-
21 ized by law, \$15,000,000.

22 BUREAU OF INTERNAL REVENUE

23 Salaries and expenses: For necessary expenses in con-
24 nection with the assessment and collection of internal-revenue

1 taxes and the administration of the internal-revenue laws,
2 including the administration of such provisions of other
3 laws as are authorized by or pursuant to law to be admin-
4 istered by or under the direction of the Commissioner of
5 Internal Revenue, including one stamp agent (to be reim-
6 bursed by the stamp manufacturers) and the employment of
7 experts; the securing of evidence of violations of the Acts,
8 the cost of chemical analyses made by others than employees
9 of the United States and expenses incident to such chemists
10 testifying when necessary; necessary expenses incurred in
11 making investigations in connection with the enrollment or
12 disbarment of practitioners before the Treasury Department
13 in internal-revenue matters, expenses of seizure and sale, and
14 contract stenographic reporting services; for the acquisition
15 of property under the provisions of title III of the Liquor
16 Law Repeal and Enforcement Act, approved August 27,
17 1935 (49 Stat. 872-881), and the operation, maintenance,
18 and repair of property acquired under such title III;
19 purchase (not to exceed thirty-four) and hire of passenger
20 motor vehicles; printing and binding (not to exceed \$2,480,-
21 000); stationery (not to exceed \$1,425,000), and ammunition,
22 \$178,000,000, of which amount not to exceed \$16,530,000
23 may be expended for personal services in the District of
24 Columbia and not to exceed \$100,000 for detecting and

1 bringing to trial persons guilty of violating the internal-
2 revenue laws or conniving at the same, including payments
3 for information and detection of such violation.

4 Additional income tax on railroads in Alaska: For the
5 payment to the Treasurer of Alaska of an amount equal to
6 the tax of 1 per centum collected on the gross annual income
7 of all railroad corporations doing business in Alaska, on busi-
8 ness done in Alaska, which tax is in addition to the normal
9 income tax collected from such corporations on net income,
10 the amount of such additional tax to be applicable to general
11 Territorial purposes, \$3,500.

12 Refunding internal-revenue collections: For refunding
13 internal-revenue collections, as provided by law, including the
14 payment of claims for the prior fiscal years and payment of
15 accounts arising under "Allowance or draw-back (Internal
16 Revenue)", "Redemption of stamps (Internal Revenue)",
17 "Refunding legacy taxes, Act of March 30, 1928", "Repay-
18 ment of taxes on distilled spirits destroyed by casualty", and
19 "Refunds and payments of processing and related taxes",
20 \$1,231,000,000: *Provided*, That a report shall be made to
21 Congress by internal-revenue districts and alphabetically
22 arranged of all disbursements hereunder in excess of \$500 as
23 required by section 3 of the Act of May 29, 1928 (sec. 3776,
24 I. R. C.), including the names of all persons and corpora-

1 tions to whom such payments are made, together with the
2 amount paid to each.

3 BUREAU OF NARCOTICS

4 Salaries and expenses: For expenses, including the
5 securing of information and evidence, necessary to enforce
6 sections 2550-2565; 2567-2571; 2590-2603; 3220-3228;
7 3230-3238 of the Internal Revenue Code; the Narcotic
8 Drugs Import and Export Act, as amended (21 U. S. C.
9 171-184) ; the Act of June 14, 1930 (5 U. S. C. 282-282c
10 and 21 U. S. C. 197-198) and the Opium Poppy Control
11 Act of 1942 (21 U. S. C. Supp. V, 188-188n),
12 including the employment of attorneys; services as authorized
13 by section 15 of the Act of August 2, 1946 (Public Law
14 600) ; the costs of chemical analyses made by others than
15 employees of the United States; cost incurred by officers and
16 employees of the Bureau of Narcotics in the seizure, forfei-
17 ture, storage, and disposition of property under the Act of
18 August 9, 1939 (49 U. S. C. 781-788), and the internal-
19 revenue laws; hire of motor vehicles; purchase of arms and
20 ammunition; in all, \$1,430,000, of which amount not to
21 exceed \$224,000 may be expended for personal services in
22 the District of Columbia; not exceeding \$10,000 for the
23 collection and dissemination of information and appeal for
24 law observance and law enforcement, including cost of

1 printing, and not exceeding \$10,000 for services or informa-
2 tion looking toward the apprehension of narcotic law violators
3 who are fugitives from justice.

4 Printing and binding: For printing and binding for the
5 Bureau, \$4,000.

6 BUREAU OF ENGRAVING AND PRINTING

7 For the work of engraving and printing, exclusive of
8 repay work United States currency and internal-revenue
9 stamps, including opium orders and special-tax stamps re-
10 quired under the Act of December 17, 1914 (26 U. S. C.
11 1040, 1383), checks, drafts, and miscellaneous work, as
12 follows:

13 Salaries and expenses: For the Director, two Assistant
14 Directors, and other personal services in the District of
15 Columbia, including wages of rotary press plate printers at
16 per diem rates and all other plate printers at piece rates to
17 be fixed by the Secretary of the Treasury, not to exceed the
18 rates usually paid for such work; and other necessary ex-
19 penses, including engravers' and printers' materials and other
20 materials, including distinctive and nondistinctive paper,
21 except distinctive paper for United States currency and
22 Federal Reserve bank currency; purchase of card and con-
23 tinuous form checks; equipment of, repairs to, and mainte-
24 nance of buildings and grounds and minor alterations to
25 buildings; periodicals, examples of engraving and printing,

1 including foreign securities and stamps, and books of refer-
2 ence, not to exceed \$500; traveling expenses not to exceed
3 \$15,000; transfer to the Bureau of Standards for scientific
4 investigations in connection with the work of the Bureau
5 of Engraving and Printing, not to exceed \$15,000;
6 \$12,000,000, to be expended under the direction of the
7 Secretary of the Treasury.

8 Printing and binding: For printing and binding for the
9 Bureau of Engraving and Printing, \$5,000.

10 During the fiscal year 1948 all proceeds derived
11 from work performed by the Bureau of Engraving and Print-
12 ing, by direction of the Secretary of the Treasury, not covered
13 and embraced in the appropriations for such Bureau for such
14 fiscal year, instead of being covered into the Treasury as
15 miscellaneous receipts, as provided by the Act of August 4,
16 1886 (31 U. S. C. 176), shall be credited when received
17 to the appropriations for such Bureau for the fiscal year
18 1948.

19 SECRET SERVICE DIVISION

20 Salaries: For personal services in the District of Colum-
21 bia, \$85,000.

22 Suppressing counterfeiting and other crimes: For neces-
23 sary expenses in detecting, arresting, and delivering into the
24 custody of the United States marshal or other officer having
25 jurisdiction, dealers and pretended dealers in counterfeit

1 money, persons engaged in counterfeiting, forging, and
2 altering United States notes, bonds, national bank notes,
3 Federal Reserve notes, Federal Reserve bank notes, and
4 other obligations and securities of the United States and
5 of foreign governments (including endorsements thereon and
6 assignments thereof), as well as the coins of the United
7 States and of foreign governments, and persons com-
8 mitting other crimes against the laws of the United States
9 relating to the Treasury Department and the several branches
10 of the public service under its control; purchase of seventy-
11 five and hire of motor passenger vehicles; purchase of arms
12 and ammunition; and for the protection of the person of the
13 President and the members of his immediate family and of
14 the person chosen to be President of the United States,
15 \$1,550,000: *Provided*, That of the amount herein appro-
16 priated not to exceed \$15,000 may be expended for the pur-
17 pose of securing information concerning violations of the laws
18 relating to the Treasury Department, and for services or in-
19 formation looking toward the apprehension of criminals, and
20 all vouchers claiming reimbursement from such amount of
21 \$15,000 shall have the approval of the Chief of the Secret
22 Service before payment.

23 White House Police: For salaries of the White House
24 Police as authorized by law (3 U. S. C. 62), \$270,000.

25 For uniforming and equipping the White House Police,

1 including the purchase, issue, and repair of revolvers, and
 2 the purchase and issue of ammunition and miscellaneous
 3 supplies, to be procured in such manner as the President may
 4 determine, \$6,000.

5 Salaries and expenses, guard force, Treasury buildings:
 6 For expenses of the guard force for Treasury Department
 7 buildings in the District of Columbia, including the Bureau
 8 of Engraving and Printing, and elsewhere, including pur-
 9 chase, repair, and cleaning of uniforms, purchase of two
 10 passenger motor vehicles, and the purchase of arms and
 11 ammunition and miscellaneous equipment, \$720,000: *Pro-*
 12 *vided*, That not to exceed \$168,925 of the appropriation
 13 "Salaries and expenses, Bureau of Engraving and Print-
 14 ing", may be transferred to this appropriation to cover serv-
 15 ice rendered such Bureau in connection with the protection
 16 of currency, bonds, stamps, and other papers of value the cost
 17 of producing which is not covered and embraced in the direct
 18 appropriations for such Bureau: *Provided further*, That the
 19 Secretary of the Treasury may detail two agents of the Secret
 20 Service to supervise such force.

21 Printing and binding: For printing and binding for the
 22 Secret Service Division, \$8,000.

23 Reimbursement to District of Columbia, benefit pay-
 24 ments to White House Police and Secret Service forces: For

1 reimbursement to the District of Columbia on a monthly basis
2 for benefit payments made from the revenues of the District
3 of Columbia to members of the White House Police force
4 and such members of the United States Secret Service Divi-
5 sion as are entitled thereto under the Act of October 14,
6 1940 (54 Stat. 1118), to the extent that such benefit pay-
7 ments are in excess of the salary deductions of such members
8 credited to said revenues of the District of Columbia during
9 the fiscal year 1948, pursuant to section 12 of the Act
10 of September 1, 1916 (39 Stat. 718), as amended, \$68,500.

11 BUREAU OF THE MINT

12 Office of the Director: For personal services in
13 the District of Columbia and for assay laboratory chem-
14 icals, fuel, materials, balances, weights, specimens of
15 coins, ores, and travel and other expenses incident to
16 the examination of mints, visiting mints for the purpose
17 of superintending the annual settlement, and for the collec-
18 tion of statistics relative to the annual production and con-
19 sumption of the precious metals in the United States,
20 \$185,000.

21 Transportation of bullion and coin: For transportation
22 of bullion and coin, between mints, assay offices, and bullion
23 depositories, \$22,500, including compensation of temporary
24 employees and other necessary expenses.

25 Mints and assay offices: For necessary expenses at the

1 mints at Philadelphia, Pennsylvania; San Francisco, Cali-
2 fornia; and Denver, Colorado; the assay offices at New York,
3 New York; and Seattle, Washington, and the bullion deposi-
4 tories at Fort Knox, Kentucky; and West Point, New York,
5 and for carrying out the provisions of the Gold Reserve
6 Act of 1934 and the Silver Purchase Act of 1934, including
7 new machinery and repairs, arms and ammunition, purchase
8 and maintenance of uniforms and accessories for guards, pro-
9 tective devices, and their maintenance, training of employees
10 in use of fire arms and protective devices, purchase of a sta-
11 tion wagon, cases and enameling for medals manufactured, net
12 wastage in melting and refining and in coining departments,
13 loss on sale of sweeps arising from the treatment of bullion and
14 the manufacture of coins, not to exceed \$1,000 for the expen-
15 ses of the annual assay commission, and not exceeding \$1,000
16 for the acquisition, at the dollar face amount or otherwise, of
17 specimen and rare coins, including United States and foreign
18 gold coins and pieces of gold used as, or in lieu of, money,
19 and ores, for addition to the Government's collection of such
20 coins, pieces, and ores; \$6,250,000.

21 Printing and binding: For printing and binding for the
22 Bureau of the Mint, \$10,000.

23 BUREAU OF FEDERAL SUPPLY

24 Salaries and expenses: For necessary expenses, includ-
25 ing personal services in the District of Columbia and in the

1 field service, office supplies and materials, stationery, fuel,
2 light, electric current, and other expenses for carrying into
3 effect regulations governing the procurement, warehousing,
4 and distribution by the Bureau of Federal Supply of the
5 Treasury Department of property, equipment, stores, and
6 supplies in the District of Columbia and in the field, \$1,-
7 310,000: *Provided*, That the Secretary of the Treasury is
8 authorized and directed to transfer to this appropriation
9 from any appropriations or funds available to the several
10 departments and establishments of the Government such
11 amounts as may be approved by the Bureau of the Budget,
12 not to exceed the sum of (a) the amount of the annual com-
13 pensation of employees who may be transferred or detailed
14 to the Bureau of Federal Supply, respectively, from any such
15 department or establishment, where the transfer or detail of
16 such employee is incident to a transfer of a function or
17 functions to that Bureau and (b) such amount as the Bureau
18 of the Budget may determine to be necessary for expenses
19 other than personal services incident to the proper carrying
20 out of functions so transferred: *Provided further*, That when
21 there has been or shall be transferred from any agency of
22 the Government to the Bureau of Federal Supply any func-
23 tion of warehousing, and the agency from which such
24 function is being transferred is authorized at the time of
25 such transfer to perform functions of procurement, ware-

1 housing, or distribution of property, equipment, stores, or
2 supplies for non-Federal agencies the Bureau of Federal
3 Supply is authorized to continue the performance of such
4 functions for such non-Federal agencies where such functions
5 are to be discontinued by the agency from which the ware-
6 housing function has been transferred, and the receipts, in-
7 cluding surcharge, for all issues to and all advances by all
8 non-Federal agencies shall be credited to the general supply
9 fund: *Provided further*, That payments to the general sup-
10 ply fund for materials, and supplies (including fuel), and
11 services, and overhead expenses for all issues shall be made
12 on the books of the Treasury Department by transfer and
13 counterwarrants prepared by the Bureau of Federal Supply
14 of the Treasury Department and countersigned by the
15 Comptroller General, such warrants to be based solely on
16 itemized invoices prepared by the Bureau of Federal Supply
17 at issue prices to be fixed by the Director of Federal Supply:
18 *Provided further*, That payments covering transactions be-
19 tween the Bureau of Federal Supply and field offices of
20 other Government agencies whose detailed appropriation
21 or fund accounts are maintained elsewhere than within the
22 District of Columbia, may be made on the basis of itemized
23 vouchers or invoices prepared by the Bureau of Federal
24 Supply and sent through the appropriate field offices to the
25 disbursing officers for the agencies involved, who are hereby

1 authorized to make payment based (1) upon certification
2 of the Bureau of Federal Supply, which shall include the
3 specific statement that the vouchers are issued pursuant to
4 and in conformity with purchase orders or requisitions duly
5 executed by the agency billed, and (2) upon approval and
6 certification of such vouchers by the agency billed, which
7 action shall be based upon acceptance of the Bureau of Fed-
8 eral Supply certification as made, subject to later adjustment
9 if necessary, the responsibility of the certifying officer to be
10 limited to the availability of the funds to be charged: *Pro-*
11 *vided further*, That the general supply fund may be used to
12 purchase from or through the Public Printer standard forms
13 and blank-book work for field warehouse stocking and issue,
14 but issues thereof shall be made only to Government agencies
15 and shall be chargeable to applicable appropriation authori-
16 zations or limitations of such agencies for printing and bind-
17 ing, and reports of such issues shall be made as the Public
18 Printer may require: *Provided further*, That advances re-
19 ceived pursuant to law (31 U. S. C. 686) from departments
20 and establishments of the United States Government and the
21 government of the District of Columbia during the fiscal year
22 1948 shall be credited to the general supply fund: *Provided*
23 *further*, That during the fiscal year 1948 there shall be available
24 from the general supply fund for personal services in the District
25 of Columbia not to exceed \$1,520,000: *Provided further*,

1 That per diem employees engaged in work in connection
2 with operations of the fuel yards may be paid rates of pay
3 approved by the Secretary of the Treasury not exceeding
4 current rates for similar services in the District of Columbia:
5 *Provided further*, That the term "fuel" shall be held to
6 include "fuel oil": *Provided further*, That the reconditioning
7 and repair of surplus property and equipment for disposition
8 or reissue to Government service, may be made at cost
9 by the Bureau of Federal Supply, payment therefor to be
10 effected by charging the proper appropriation and crediting
11 the general supply fund.

12 Repairs to typewriting machines (except bookkeeping
13 and billing machines) in the Government service in the
14 District of Columbia and areas adjacent thereto may be made
15 at cost by the Bureau of Federal Supply, payment therefor
16 to be effected by charging the proper appropriation and
17 crediting the general supply fund.

18 No part of any money appropriated by this or any other
19 Act shall be used during the fiscal year 1948 for
20 the purchase, within the continental limits of the United
21 States, of any standard typewriting machines (except book-
22 keeping, billing, and electric machines) at a price in excess
23 of the following for models with carriages which will accom-
24 modate paper of the following widths, to wit: Ten inches
25 (correspondence models), \$77; twelve inches, \$82.50; four-

1 detail increases above thirty the total number of enlisted
2 men detailed to such duty at any time: *Provided further,*
3 That no part of this appropriation shall be used for increased
4 pay for making aerial flights by nonflying officers or ob-
5 servers at rates in excess of those prescribed by law for the
6 Army, which shall be the legal maximum rates as to such
7 nonflying officers or observers: *Provided further,* That ex-
8 penditures out of the foregoing appropriation shall not exceed
9 the limitations set forth in the following categories, namely:

10 Office of Commandant: For personal services at the seat
11 of government, not to exceed \$2,000,000;

12 Pay and allowances: For pay and allowances prescribed
13 by law for commissioned officers, cadets, warrant officers,
14 petty officers, and other enlisted personnel, active and retired,
15 temporary cooks, surfmen, substitute surfmen, and six civilian
16 instructors; retired pay for certain members of the former
17 Life Saving Service authorized by the Act approved April
18 14, 1930 (14 U. S. C. 178a); not exceeding \$10,000 for
19 cash prizes for men for excellence in boatmanship, gunnery,
20 target practice, and engineering competitions; transportation
21 of dependents of Coast Guard personnel on active duty and
22 retired and Reserve officers and of retired and Reserve en-
23 listed personnel, of grades entitled to transportation of de-
24 pendents in the Regular Coast Guard, when ordered to active

1 duty (other than training) and upon relief therefrom; carry-
2 ing out the provisions of the Act of June 4, 1920 (34 U. S.
3 C. 943); not to exceed \$20,000 for cost of special
4 instruction, including books, laboratory equipment and fees,
5 school supplies, and maintenance of students; motion-
6 picture and other equipment for instructional purposes;
7 rations or commutation thereof for cadets, petty officers,
8 other enlisted personnel, and members of the Coast
9 Guard Auxiliary when assigned specific duties under the pro-
10 visions of section 8, Act of February 19, 1941, as amended
11 (14 U. S. C. 267), mileage and expenses allowed by law
12 for officers, including per diem rates of allowance, and the
13 Secretary is hereby authorized to prescribe per diem rates of
14 allowance for Public Health Service officers detailed to the
15 Coast Guard as authorized for Coast Guard officers; actual
16 and necessary expenses or per diem in lieu thereof as the
17 Secretary may determine and approve for Coast Guard per-
18 sonnel on special duty in foreign countries; traveling expenses
19 of other persons traveling on duty under orders from the
20 Treasury Department, including transportation of cadets,
21 enlisted personnel, and applicants for enlistment, with sub-
22 sistence and transfers en route, or cash in lieu thereof; trans-
23 portation in kind and subsistence to discharged cadets;
24 uniform clothing for enlisted men as provided by law
25 (14 U. S. C. 13); clothing for enlisted personnel au-

1 thorized by law; civilian clothing, including an overcoat
2 when necessary, the cost of all not to exceed \$30 per person
3 to enlisted personnel given discharges for bad conduct, un-
4 desirability, unsuitability, or inaptitude; reimbursement in
5 kind or in cash as authorized by law to persons in the Coast
6 Guard for personal property lost, destroyed, or damaged;
7 actual expenses of officers and cadets and quarters and sub-
8 sistence of enlisted personnel on shore patrol, emergency
9 shore detail and other detached duty, or cash in lieu thereof;
10 hire of quarters for officers serving with troops where suf-
11 ficient quarters are not possessed by the United States to
12 accommodate them; hire of quarters for Coast Guard per-
13 sonnel comparable to quarters assignable on a capital ship of
14 the Navy, as authorized by the Secretary to meet emergency
15 conditions, including officers and men on sea duty at such
16 times as they may be deprived of their quarters on board ship
17 due to repairs or other conditions which may render them
18 uninhabitable: *Provided*, That under this authorization no
19 funds may be expended for the hire of quarters for occupancy
20 by the dependents of officers or enlisted personnel; expenses
21 of recruiting for the Coast Guard; advertising for and ob-
22 taining enlisted personnel and applicants for appointment as
23 cadets; training of enlisted personnel, including textbooks,
24 school supplies, and correspondence courses; transfer of
25 household goods and effects of Coast Guard and Coast Guard

1 Reserve personnel on active duty and when ordered to active
2 duty and upon relief therefrom, and the transfer of household
3 goods and effects of deceased Coast Guard and Coast Guard
4 Reserve personnel who die while on active duty, as prescribed
5 by law and regulations; transportation on Government-owned
6 vessels of privately owned automobiles of Coast Guard per-
7 sonnel upon change of station; purchase of provisions for sale
8 to Coast Guard personnel at isolated stations, and the appro-
9 priation reimbursed; and including not to exceed \$50,000
10 for recreation, amusement, comfort, contentment, and health
11 of the enlisted personnel of the Coast Guard, to be expended
12 pursuant to regulations prescribed by the Secretary; appre-
13 hension and delivery of deserters and stragglers; in all, not
14 to exceed \$70,000,000: *Provided*, That money accruing from
15 commutation of rations of enlisted personnel commuted for the
16 benefit of any mess may be paid on proper voucher to the
17 officer in charge of such mess: *Provided further*, That when-
18 ever commissioned officers of the Coast Guard, who were
19 civilian employees of the former Bureau of Marine Inspec-
20 tion and Navigation, resume their status as civilian employees
21 of the Coast Guard, or whenever civilian employees of the
22 Coast Guard, who were employed in the former Bureau of
23 Marine Inspection and Navigation, are commissioned as
24 officers of the Coast Guard, the limitation provided for "Civil-
25 ian Employees, Coast Guard" may be exceeded, with the

1 approval of the Bureau of the Budget, by the amount of their
2 pay as civilian employees and the limitation provided for
3 "Pay and allowances" reduced in a like amount or vice versa,
4 as the case may be;

5 General expenses, Coast Guard: For expenses necessary
6 for the operation and maintenance of the Coast Guard
7 ashore and afloat, except as specifically provided for in
8 other appropriations, including personal services at the seat
9 of government and elsewhere; contract stenographic report-
10 ing services, pursuant to section 15 of the Act of August 2,
11 1946 (Public Law 600) ; printing and binding; purchase of
12 fifty-eight passenger motor vehicles and maintenance, opera-
13 tion, and repair of aircraft; improvement of property for Coast
14 Guard purposes, including rental, purchase, or use of addi-
15 tional land where necessary and the purchase of land for
16 beacons, daymarks, and fog signals; rations and provisions, or
17 commutation thereof, for working parties in the field, officers
18 and crews of light vessels and tenders, and officials and other
19 authorized persons of the Coast Guard on duty on board
20 such tenders or vessels, but money accruing from commuta-
21 tion of rations and provisions for the above-named persons on
22 board tenders and light vessels or in working parties in the
23 field may be paid on proper voucher to the person having
24 charge of the mess of such vessel or party; subsistence and

1 clothing for shipwrecked and destitute persons, including
2 reimbursement, under rules prescribed by the Secretary, of
3 Coast Guard personnel who furnish from their personal
4 stock subsistence and clothing to such persons; for payment
5 of claims authorized under section 1 of Public Law 277,
6 Seventy-ninth Congress, as amended by Public Law 327,
7 Seventy-ninth Congress; not to exceed \$2,500 for contingen-
8 cies for the Superintendent, United States Coast Guard
9 Academy, to be expended in his discretion; payment of
10 rewards for the apprehension and conviction, or for informa-
11 tion helpful therein, of persons found interfering in violation
12 of law with aids to navigation maintained by the Coast
13 Guard; in all, not to exceed \$29,700,000: *Provided*, That
14 the number of aircraft on hand at any one time shall not
15 exceed one hundred and ten exclusive of planes and parts
16 stored to meet future attrition;

17 Civilian employees, Coast Guard: For compensation of
18 civilian employees in the field, including per diem labor,
19 but excluding personnel provided for in the appropriation
20 "General expenses, Coast Guard", not to exceed \$3,600,000;

21 Establishing and improving aids to navigation: For
22 establishing and improving aids to navigation and other
23 works, and for expenditures directly relating thereto, not to
24 exceed \$2,300,000;

1 Acquisition of aircraft, vessels and shore facilities: For
2 the purchase or construction of additional and replacement
3 vessels and their equipment; the purchase of aircraft and
4 their equipment; and the construction, rebuilding, or extension of shore facilities, including the acquisition of sites and
5 improvements thereon when specifically approved by the
6 Secretary, and rental of shore facilities for temporary use;
7 in all, not to exceed \$2,300,000: *Provided*, That not to
8 exceed 4 per centum of the amount of this limitation shall
9 be available for administrative expenses in connection there-
10 with, including personal services at the seat of government;

12 Retired pay, former Lighthouse Service, Coast Guard:
13 For retired pay of certain officers and employees entitled
14 thereto by virtue of former employment in the Lighthouse
15 Service engaged in the field service or on vessels of the
16 Coast Guard, except persons continuously employed in
17 district offices and shops, not to exceed \$1,000,000.

18 No part of any appropriation or authorization in this
19 Act shall be used to pay any part of the salary or expenses
20 of any person whose salary or expenses are prohibited from
21 being paid from any appropriation or authorization in any
22 other Act.

23 This title may be cited as the "Treasury Department
24 Appropriation Act, 1948".

1 TITLE II—POST OFFICE DEPARTMENT

2 The following sums are appropriated in conformity with
3 5 United States Code 361, 380; 39 United States Code 786,
4 for the Post Office Department for the fiscal year ending
5 June 30, 1948, namely:

6 POST OFFICE DEPARTMENT, WASHINGTON, DISTRICT OF
7 COLUMBIA

8 OFFICE OF THE POSTMASTER GENERAL

9 Salaries: For the Postmaster General and other per-
10 sonal services in the office of the Postmaster General in
11 the District of Columbia, including a health program for the
12 Department in Washington as authorized by the Act of
13 August 8, 1946 (Public Law 658), \$375,000.

14 SALARIES IN BUREAUS AND OFFICES

15 For personal services in the District of Columbia in
16 bureaus and offices of the Post Office Department in not to
17 exceed the following amounts, respectively:

18 Office of Budget and Administrative Planning,
19 \$59,500.

20 Office of the First Assistant Postmaster General,
21 \$1,100,000.

22 Office of the Second Assistant Postmaster General,
23 \$900,000.

24 Office of the Third Assistant Postmaster General,
25 \$1,325,000.

1 Office of the Fourth Assistant Postmaster General,
2 \$700,000.

3 Office of the Solicitor for the Post Office Department,
4 \$250,000.

5 Office of the chief inspector, \$400,000.

6 Office of the purchasing agent, \$78,000.

7 Bureau of Accounts, \$500,000.

8 CONTINGENT EXPENSES, POST OFFICE DEPARTMENT

9 For necessary, contingent and miscellaneous expenses
10 not otherwise provided for; purchase of one passenger motor
11 vehicle (not exceeding \$3,000) ; purchase and exchange of
12 lawbooks and books of reference; newspapers; and travel
13 expenses of the purchasing agent and of the Solicitor and
14 attorneys connected with his office, not exceeding \$1,900;
15 \$145,000.

16 For printing and binding for the Post Office Depart-
17 ment and Postal Service, \$1,500,000.

18 Appropriations hereinafter made for the field service of
19 the Post Office Department, except as otherwise provided,
20 shall not be expended for any of the purposes hereinbefore
21 provided for on account of the Post Office Department in the
22 District of Columbia: *Provided*, That necessary expenses of
23 officials and employees of the Post Office Department and
24 Postal Service, when traveling on official business, may be
25 paid from the appropriations for the service in connection with

1 which the travel is performed: *Provided further*, That appro-
 2 priations hereinafter made, except such as are exclusively for
 3 payment of compensation, shall be available for expenses in
 4 connection with the examination of estimates for appropria-
 5 tions in the field including per diem allowances in lieu of
 6 actual expenses of subsistence.

7 FIELD SERVICE, POST OFFICE DEPARTMENT

8 OFFICE OF THE POSTMASTER GENERAL

9 Travel expenses, Postmaster General and Assistant
 10 Postmasters General: For travel and miscellaneous expenses
 11 in the Postal Service, offices of the Postmaster General and
 12 Assistant Postmasters General, \$3,000.

13 Damage claims: For the payment of claims for damages
 14 to persons or property occurring in the fiscal year 1948, or in
 15 prior fiscal years, determined and settled pursuant to the
 16 Federal Tort Claims Act, approved August 2, 1946 (Public
 17 Law 601), and in accordance with the provisions of the
 18 Deficiency Appropriation Act, approved June 16, 1921
 19 (5 U. S. C. 392), as amended by the Act approved June
 20 22, 1934 (31 U. S. C. 224c), \$230,000.

21 Adjusted losses and contingencies: To pay to postmasters,
 22 Navy mail clerks, and assistant Navy mail clerks, Coast
 23 Guard mail clerks, Assistant Coast Guard mail clerks, Army
 24 mail clerks, and assistant Army mail clerks, or credit them
 25 with the amount ascertained to have been lost or destroyed

1 during the fiscal year 1948, or prior fiscal years, through
2 unavoidable casualty resulting from no fault or negligence
3 on their part, as authorized by the Act approved March 17,
4 1882, as amended by the Act approved December 7, 1945
5 (39 U. S. C. 49), \$75,000.

6 OFFICE OF CHIEF INSPECTOR

7 Salaries of inspectors: For salaries of fifteen inspectors
8 in charge of divisions and eight hundred inspectors,
9 \$4,300,000.

10 Travel and miscellaneous expenses: For necessary travel
11 and miscellaneous expenses incurred in the operation of the
12 Post Office Inspection Service, not to exceed \$27,600 for
13 chemical and other investigations, and not to exceed \$500
14 for books of reference, \$960,000.

15 Clerks: For compensation of not exceeding three hun-
16 dred and eighty-nine clerks in the Post Office Inspection
17 Service, \$1,178,000.

18 Payment of rewards: For payment of rewards for the
19 detection, arrest, and conviction of post-office burglars, rob-
20 bers, highway mail robbers, and persons mailing or causing
21 to be mailed any bomb, infernal machine, or mechanical,
22 chemical, or other device or composition which may ignite,
23 or explode, fiscal year 1948 and prior years, \$55,000:
24 *Provided*, That rewards may be paid in the discretion of
25 the Postmaster General, when an offender of the classes

1 mentioned was killed in the act of committing the crime
 2 or in resisting lawful arrest: *Provided further*, That no part
 3 of this sum shall be used to pay any rewards at rates in
 4 excess of those specified in Post Office Department Order
 5 28673, dated July 28, 1945: *Provided further*, That of the
 6 amount herein appropriated not to exceed \$20,000 may be
 7 expended in the discretion of the Postmaster General, for
 8 the purpose of securing information concerning violations of
 9 the postal laws and for services and information looking
 10 toward the apprehension of criminals.

11 OFFICE OF THE FIRST ASSISTANT POSTMASTER GENERAL

12 Compensation to postmasters: For compensation to post-
 13 masters, including compensation as postmaster to persons
 14 who, pending the designation of an acting postmaster, assume
 15 and perform the duties of postmaster in the event of a
 16 vacancy in the office of postmaster of the third or fourth
 17 class, and for allowances for rent, light, fuel, and equipment
 18 to postmasters of the fourth class, \$87,470,000.

19 Compensation to assistant postmasters: For compensa-
 20 tion to assistant postmasters at first- and second-class post
 21 offices, \$12,800,000.

22 Clerks, first- and second-class post offices: For compen-
 23 sation to clerks and employees at first- and second-class post
 24 offices, including auxiliary clerk hire at summer and winter
 25 post offices, printers, mechanics, skilled laborers, watchmen,

1 messengers, mail handlers, and substitutes, and the maintenance of health programs in the field as authorized by the
2 Act of August 8, 1946 (Public Law 658), \$487,000,000.

4 Contract station service: For contract station service,
5 \$3,500,000.

6 Separating mails: For separating mails at fourth-class
7 post offices, \$180,000.

8 Unusual conditions: For unusual conditions at post
9 offices, \$25,000.

10 Clerks, third-class post offices: For compensation to
11 clerks at third-class post offices, \$24,000,000.

12 Miscellaneous items, first- and second-class post offices:
13 For expenses necessary for the operation and protection of
14 post offices of the first and second classes, and the business
15 conducted in connection therewith, not provided for in other
16 appropriations, \$3,600,000.

17 Village delivery service: For village delivery service in
18 towns and villages having post offices of the second or third
19 class, and in communities adjacent to cities having city
20 delivery, \$300,000.

21 Detroit River service: For Detroit River postal service,
22 \$12,750.

23 Carfare and bicycle allowance: For carfare and bicycle
24 allowance, including special-delivery carfare, cost of transporting carriers by privately owned automobiles to and from
25

1 their routes, at rates not exceeding regular streetcar or bus
2 fare, and purchase, maintenance, and exchange of bicycles,
3 \$1,700,000.

4 City delivery carriers: For pay of letter carriers, City
5 Delivery Service, and United States Official Mail and Mes-
6 senger Service, \$295,300,000.

7 Special-delivery compensation and fees: For compensa-
8 tion and fees to special-delivery messengers, \$14,000,000.

9 Rural Delivery Service: For pay of rural carriers,
10 auxiliary carriers, substitutes for rural carriers on annual and
11 sick leave, clerks in charge of rural stations, tolls and ferriage,
12 and necessary expenses of the Rural Delivery Service, \$129,-
13 167,000, of which not less than \$200,000 shall be available
14 for extensions and new service.

15 OFFICE OF THE SECOND ASSISTANT POSTMASTER GENERAL

16 Star-route service: For inland transportation by star
17 routes (excepting service in Alaska), including temporary
18 service to newly established offices, \$22,500,000.

19 Star Route and Air Mail Service, Alaska: For inland
20 transportation by Star Route and Air Mail Service in Alaska,
21 \$415,000.

22 Powerboat service: For inland transportation by steam-
23 boat or other powerboat routes, including ship, steamboat,
24 and way letters, \$1,700,000.

1 Railroad transportation and mail messenger service: For
2 inland transportation by railroad routes and for mail mes-
3 senger service, \$145,000,000: *Provided*, That separate ac-
4 counts be kept of the amount expended for mail messenger
5 service.

6 Railway Mail Service: For fifteen general superin-
7 tendents, fifteen assistant general superintendents, two
8 assistant general superintendents at large, one hundred and
9 twenty district superintendents, one hundred and twenty
10 assistant district superintendents, and other employees in
11 the Railway Mail Service, \$104,000,000.

12 Railway postal clerks, travel allowance: For travel
13 allowance to railway postal clerks and substitute railway
14 postal clerks, \$5,000,000.

15 Railway Mail Service, travel expenses: For travel
16 expenses of departmental officials and supervisory employees
17 of the Railway Mail Service, and railway postal clerks,
18 \$55,000.

19 Railway Mail Service, miscellaneous expenses: For
20 necessary expenses of the Railway Mail Service not pro-
21 vided for in other appropriations, \$450,000.

22 Electric-car service: For electric-car service, \$210,000.

23 Foreign mail transportation: For transportation of for-
24 eign mails, except by aircraft, \$9,500,000, including not

1 to exceed \$79,200 to cover the cost to the United States
2 for maintaining sea post service on ocean steamships con-
3 veying mails to and from the United States.

4 Balances due foreign countries: For balances due foreign
5 countries, fiscal year 1948 and prior years, \$3,250,000.

6 Indemnities, international mail: For payment of limited
7 indemnity for the injury or loss of international mail in
8 accordance with convention, treaty, or agreement stipula-
9 tions, fiscal year 1948 and prior years, \$15,000.

10 Foreign air-mail transportation: For transportation of
11 foreign mails by aircraft, as authorized by law, including
12 the transportation of mail by aircraft between Seattle, Wash-
13 ington, and Fairbanks, Alaska, via intermediate points,
14 \$5,500,000.

15 Domestic Air Mail Service: For expenses necessary for
16 the inland transportation of mail by aircraft, as authorized
17 by law, including not to exceed \$173,000 for supervisory
18 officials and clerks at field headquarters, \$37,000,000.

19 OFFICE OF THE THIRD ASSISTANT POSTMASTER GENERAL

20 Manufacture and distribution of stamps and stamped
21 paper: For manufacture and distribution of stamps and
22 stamped paper, and not to exceed \$30,000 for compensa-
23 tion to employees and other necessary expenses of the United
24 States Stamped Envelope Agency, \$7,400,000.

25 Indemnities, domestic mail: For payment of indemnity

1 for the injury or loss of domestic registered, insured, and
2 collect-on-delivery mail, and for failure to remit collect-on-
3 delivery charges, fiscal year 1948 and prior years,
4 \$2,300,000.

5 Unpaid money orders more than one year old: For
6 payment of domestic money orders after one year from the
7 last day of the month of issue of such orders, \$600,000.

8 OFFICE OF THE FOURTH ASSISTANT POSTMASTER GENERAL

9 Post Office stationery, equipment, and supplies: For the
10 purchase, manufacture, repair, and installation of necessary
11 miscellaneous equipment and supplies for the Postal Service
12 not provided for in other appropriations; accident prevention;
13 for the purchase of atlases and geographical and technical
14 works not to exceed \$1,500; and not exceeding \$136,000
15 for personal services, and not to exceed \$51,400 for salaries
16 of fourteen traveling mechanics; for rental of canceling
17 machines and motors, mechanical mail-handling apparatus,
18 and other labor-saving devices; and for travel expenses;
19 \$6,500,000, of which \$250,000 shall be available exclu-
20 sively for the purchase of modern mechanical postal devices:
21 *Provided*, That the Postmaster General may authorize the
22 sale to the public of post-route maps and rural-delivery maps
23 or blueprints at the cost of printing and 10 per centum
24 thereof added.

25 Equipment shops, Washington, District of Columbia:
26 For the purchase, manufacture, and repair of mail bags

1 and other equipment for the postal service not provided
2 for in other appropriations; accident prevention; necessary
3 expenses for the operation, maintenance, and protection of
4 the mail equipment shops building, grounds, and equipment,
5 and a health program for the shops, as authorized by the
6 Act of August 8, 1946 (Public Law 658) ; \$3,200,000, of
7 which not to exceed \$1,223,000 may be expended for
8 personal services in the District of Columbia and not exceed-
9 ing \$15,000 for the purchase of material and the manufacture
10 in the equipment shops of such small quantities of distinctive
11 equipments as may be required by other executive depart-
12 ments; and for services in Alaska, Puerto Rico, Philippine
13 Islands, Hawaii, or other island possessions.

14 Rent, light, power, fuel, and water: For rent, light,
15 power, fuel, and water, for first-, second-, and third-class
16 post offices, and the cost of advertising for lease proposals
17 for such offices, \$13,000,000.

18 Pneumatic-tube service, New York City and Boston:
19 For rental of not exceeding twenty-eight miles of pneumatic
20 tubes, hire of labor, communication service, electric power,
21 and other expenses for transmission of mail in the city of
22 New York including the Borough of Brooklyn; and for rental
23 of not exceeding two miles of pneumatic tubes, not including
24 labor and power in operating the same, for the transmission
25 of mail in the city of Boston, Massachusetts; \$700,000:

1 *Provided*, That the Acts of April 21, 1902, May 27, 1908,
2 and June 19, 1922 (39 U. S. C. 423), relating to contracts
3 for the transmission of mail by pneumatic tubes or other
4 similar devices shall not be applicable to the city of New
5 York, and the provisions not inconsistent herewith of the
6 Acts of April 21, 1902, and May 27, 1908 (39 U. S. C.
7 423), shall be applicable to the city of Boston.

8 Vehicle service: For the hire, purchase, maintenance,
9 repair, and operation of vehicles for use in the collection,
10 transportation, delivery, and supervision of the mail, includ-
11 ing the repair of vehicles owned by, or under the control of,
12 units of the National Guard and departments and agencies
13 of the Federal Government where repairs are made necessary
14 because of utilization of such vehicles in the Postal Service;
15 the rental of garage facilities; accident prevention; lease of
16 quarters not exceeding a term of ten years for the housing
17 of Government-owned motor vehicles, and including compen-
18 sation to necessary employees in the Motor Vehicle Service,
19 \$36,500,000, of which \$5,400,000 shall be available ex-
20 clusively for the purchase of trucks: *Provided*, That the Post-
21 master General may purchase and maintain from this appro-
22 priation such tractors and trailer trucks as may be required
23 in the operation of the vehicle service: *Provided further*,
24 That no part of this appropriation shall be expended for main-
25 tenance or repair of motor-propelled passenger-carrying

1 vehicles for use in connection with the administrative work
2 of the Post Office Department in the District of Columbia.

3 Transportation of equipment and supplies: For the
4 transportation and delivery of equipment, materials, and
5 supplies for the Post Office Department and Postal Service
6 by freight, express, or motor transportation, and other inci-
7 dental expenses, \$500,000.

8 PUBLIC BUILDINGS, MAINTENANCE AND OPERATION

9 Operating force: For compensation to employees in the
10 custodial service, \$44,750,000.

11 Operating supplies, public buildings: For neces-
12 sary miscellaneous articles, services and supplies, including
13 transportation thereof, required for the operation of com-
14 pleted and occupied public buildings and grounds operated
15 by the Post Office Department, accident prevention,
16 \$6,750,000, which shall not be available for personal services
17 except for, work done by contract, or for temporary
18 job labor under exigency not exceeding at one time the
19 sum of \$250 at any one building: *Provided*, That the
20 Postmaster General is authorized to contract for telephone
21 service in public buildings under his administration by means
22 of telephone switchboards or equivalent telephone switching
23 equipment jointly serving in each case two or more govern-
24 mental activities, where he determines that joint service is
25 economical and in the interest of the Government, and to

1 secure reimbursement for the cost of such joint service from
2 available appropriations for telephone expenses of the bureaus
3 and offices receiving the same.

4 Furniture, carpets, and safes, public buildings: For the
5 procurement, including transportation, of furniture, carpets,
6 safes, safe and vault protective devices, and repairs of same,
7 for use in public buildings which are now, or may hereafter
8 be, operated by the Post Office Department, \$750,000:
9 *Provided*, That excepting expenditures for labor for or in-
10 cidental to the moving of equipment from or into public
11 buildings, the foregoing appropriation shall not be used for
12 personal services except for work done under contract or for
13 temporary job labor under exigency and not exceeding at
14 one time the sum of \$100 at any one building: *Provided*
15 *further*, That all furniture now owned by the United States
16 in other public buildings or in buildings rented by the United
17 States shall be used, so far as practicable, whether or not it
18 corresponds with the present regulation plan of furniture.

19 Deficiency in postal revenues: If the revenues of the
20 Post Office Department shall be insufficient to meet the
21 appropriations made under title II of this Act, a sum equal
22 to such deficiency in the revenues of such Department is
23 hereby appropriated, to be paid out of any money in the
24 Treasury not otherwise appropriated, to supply such defi-
25 ciency in the revenues of the Post Office Department for the

1 fiscal year ending June 30, 1948, and the sum needed
2 may be advanced to the Post Office Department upon
3 requisition of the Postmaster General.

4 During the fiscal year 1948, the Postmaster Gen-
5 eral shall make quarterly reports to the Senate and
6 House Committees on Appropriations, showing for each
7 quarter the amount paid from each appropriation for over-
8 time, the number of employees receiving such overtime, and
9 the number of hours of overtime worked by such employees,
10 together with a statement as to the necessity for such over-
11 time work.

12 This title may be cited as the "Post Office Department
13 Appropriation Act, 1948".

14 TITLE III—GENERAL PROVISIONS

15 SEC. 301. No part of any appropriation contained in
16 this Act shall be used to pay the salary or wages of any
17 person who engages in a strike against the Government
18 of the United States or who is a member of an organization
19 of Government employees that asserts the right to strike
20 against the Government of the United States, or who advo-
21 cates, or is a member of an organization that advocates,
22 the overthrow of the Government of the United States
23 by force or violence: *Provided*, That for the purposes hereof
24 an affidavit shall be considered prima facie evidence that

1 the person making the affidavit has not contrary to the
2 provisions of this section engaged in a strike against the
3 Government of the United States, is not a member of an
4 organization of Government employees that asserts the right
5 to strike against the Government of the United States, or
6 that such person does not advocate, and is not a member of
7 an organization that advocates, the overthrow of the Govern-
8 ment of the United States by force or violence: *Provided*
9 *further*, That any person who engages in a strike against
10 the Government of the United States or who is a member
11 of an organization of Government employees that asserts
12 the right to strike against the Government of the United
13 States, or who advocates, or who is a member of an organ-
14 ization that advocates, the overthrow of the Government
15 of the United States by force or violence and accepts
16 employment the salary or wages for which are paid from
17 any appropriation contained in this Act shall be guilty of
18 a felony and, upon conviction, shall be fined not more than
19 \$1,000 or imprisoned for not more than one year, or both:
20 *Provided further*, That the above penalty clause shall be in
21 addition to, and not in substitution for, any other provi-
22 sions of existing law.

23 SEC. 302. This Act may be cited as the "Treasury and
24 Post Office Departments Appropriation Act, 1948".

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80TH CONGRESS
1ST SESSION

H. R. 2436

[Report No. 103]

A BILL

Making appropriations for the Treasury and
Post Office Departments for the fiscal year
ending June 30, 1948, and for other purposes.

By Mr. CANFIELD

MARCH 7, 1947

Committed to the Committee of the Whole House on
the State of the Union and ordered to be printed

DIGEST OF

CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
Legislative Reports and Service Section
(For Department staff only)

Issued March 11, 1947
For actions of March 10, 1947
80th-1st, No. 45

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| Education..... | 12,24 | Property, surplus..... | 17 | Water, utilization..... | 19 |
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| Fats and oils..... | 29 | Records..... | 1 | Wool..... | 4 |

HIGHLIGHTS: House debated Treasury-Post Office appropriation bill. House received conference report on urgent deficiency appropriation bill, which includes rescissions for USDA and provides for OPA liquidation by June 30. Rep. Face spoke in favor of supplemental appropriation for school-lunch program. Sen. Eastland introduced bill to increase loan rates on basic commodities and extend and increase price support on non-basic commodities.

HOUSE

1. **TREASURY-POST OFFICE APPROPRIATION BILL.** Began debate on this bill, H.R. 2436, which was reported by the House Appropriations Committee Mar. 7 during adjournment (H.Rept. 103) (pp. 1940-61).

The bill includes the following items:

Under Division of Disbursement and U.S. Treasurer's Office, authorizes transfers from "Conservation and use" and Government-corporation funds.

Under Bureau of Federal Supply (formerly Procurement Division), requires transfers from other agencies to the Bureau in connection with transfers of functions to the Bureau, provides the method of payments to the general supply fund, permits the Bureau to repair Government typewriters at cost, limits the amounts which may be paid for typewriters, provides for disposal of surplus property, and authorizes field settlement for stock issued by warehouses and the purchase of printing and binding from G.P.O. for field-warehouse stocking and issue. (Same as current-year provision.)

Under Post Office Department, authorizes manufacture of small quantities of distinctive equipments required by other departments.

Provides for joint telephone switchboard service in post-office buildings serving two or more Government agencies.

The committee report includes the following statements:

Personnel reductions. "Wherever reductions in appropriations require reductions in personnel it should be stated that such reductions in personnel must

be undertaken at the earliest possible date. If it is necessary to dismiss any such persons after June 30, 1947, the Departments must understand that terminal leave costs will be borne by 1948 appropriation. Dismissals prior to June 30, 1947, will require expenditure of 1947 appropriations for terminal leave. No deficiency estimate for such purpose for either 1947 or 1948 will be entertained."

Economy. "There has been and is an ever growing demand, and a mandate has been given, that the budget of this country be put in balance and a program of orderly debt retirement instituted. The individual citizen has fully awakened to the fact that he is contributing a sizeable portion of his income to the operations of his National Government, and he is now making a just and long delayed demand for an account of its stewardship. To translate these demands of the citizen taxpayer into results requires that Government officials be inculcated with the understanding and realization that the continuance of their Government is resolved around issues that transcend the mere continuance, on any given level of operation of any particular agency or function of the government. Some strong measures are essential if we are to reduce Government expenditures. Government officers must be put on notice that the citizen has demanded a stop order on all administrative practices that indulge employee idleness and which make a mockery of laws and regulations, designed to insure to the Government, in terms of work production, a reasonable return for the liberal vacation, sick leave, and other privileges extended by the Government to its employees. The committee makes no mass indictment of Government officials for laxity in administration or for employee shortcoming. It is recognized that a majority of the servants of the Government are loyal, hard working, conscientious, and give a day's service for a day's pay. It is known, however, that there is both overstaffing and a degree of unjustifiable indolence manifest in the operations of some Government agencies and bureaus. Scores of letters received daily by the Appropriation Committee bear testimony to this fact. Observation confirms it. The committee is making every effort to ferret out information that will permit this abuse to be corrected. The task is laborious and, in a sense, a thankless one, but the people have spoken and their will must be served."

Purchasing. "...the total appropriation recommended for the Bureau of Federal supply is \$1,480,000, of which amount \$170,000 is for printing and binding. With this amount the Bureau will have approximately \$100,000 to meet additional costs due to salary increases aggregating \$170,000. This will mean that the Bureau must absorb about \$70,000 by either reduction in personnel or in the other operating expenses of the agency. The additional employees requested for next year over and above those at present on the rolls are, as a result of the committee's reduction, disallowed.

"During the course of the hearings on this agency, it was developed that Government corporations are not using the procurement facilities of this Bureau. It is suggested, therefore, that the Bureau of the Budget, within the next 4 months, investigate this question with a view to determining the wisdom of requiring all Government corporations to comply with regular Government supply procedure. Appropriate recommendation in the premises should be made to this committee before the next session of Congress.

"The committee has been impressed with the fact that there appears to be no over-all policy in the Government as to the replacement of automobiles. Bureau of Federal Supply officials have decided that as far as automobile replacement in the Bureau is concerned a formula is now being devised which will make replacement contingent upon the relationship of operating costs to replacement cost. Such a formula appears to be sound and the committee feels that this principle might well be extended to other agencies of the Government which are operating and replacing automobiles on Government account. To

fix the definite point at which the law of diminishing returns comes into being as regards motor-vehicle operation seems highly important. It is felt, therefore, that the Bureau of the Budget might likewise dedicate itself to a study of this problem with a view of formulating recommendations to the committee that may be of value in establishing a general over-all policy of automobile replacement by all Government agencies.

"For many years, a provision has been carried in the Treasury-Post Office Departments appropriation bill setting a maximum price at which the Government may purchase typewriters. Repeated representations have been made by representatives of the various typewriter manufacturing agencies that this provision is discriminatory and does not assure a fair return to the manufacturer. Rumors have come to the attention of the committee--all unconfirmed--that there is a large stock of new and used (but usable) typewriters in Government surplus stocks--both declared surplus and agency inventory surplus. At the present time some typewriter manufacturers are refusing to supply the Government while some companies are offering only limited quantities of machines for Government purchase. There appears to be no immediate problem that supply will prove to be insufficient for Government requirements, but that possibility is presented. In order, therefore, that the committee may have a comprehensive picture of all the factors entering into this equation, it has been decided that the investigative staff of the committee will be called upon to look into this subject from all angles and prepare a report and recommendation for committee consideration prior to the commencement of hearings on the 1949 appropriation bill. In the meantime, language in the current act bearing on this issue is recommended for retention in the accompanying bill."

Indefinite appropriations. "All regular annual appropriations are now set up on a specific appropriation basis and all requests for indefinite authority to expend funds have been eliminated. It is admitted that there are some arguments for permitting expenditures without limit for certain uncontrollable expenditures, but the committee feels that these arguments must give way to the principle that the Congress should provide specific sums for stated functions and processes of Government, reserving the right to modify any action taken as circumstances may dictate."

Crop Insurance. "The total carried under the column in the above title under the heading 'Budget estimates for 1948' will be found to be \$20,000,000 less than the sum carried in the President's Budget under that heading. This results from the action of the committee in eliminating from the Treasury estimates an item in that sum for subscriptions to the capital stock of the Federal Crop Insurance Corporation. This estimate will subsequently be taken up by either the Agricultural or Corporations Subcommittee of the Appropriation Committee and will be incorporated, at a later date, as an estimate in the appropriate appropriation bill."

Records. Regarding the Morgenthau "diary": "Questioning on this subject has disclosed that there are several ill-defined and moot questions concerning the entire question of what constitutes official papers and collaterally, how far discretion can properly be reposed in Government officials when separating themselves from Government employment, to retain in their personal possession papers colored with a public interest. The committee feels, therefore, that a review of this subject by the appropriate legislative committee of the House would be in order to the end that the law in this matter may be more clearly defined and the Government's interest adequately protected."

Personnel work. "The committee is disturbed at the rapid growth of the Central Division of Personnel of the Treasury Department. This unit has grown from an appropriation of \$44,000 in 1938 to a requested allowance of \$227,000 in

1948. Each of the component agencies of the Treasury Department has a personnel division of its own, and as such, is equipped to handle the vast majority of personnel actions involving its own employees. The departmental personnel division should confine itself, in the main, to questions of personnel policy. To give effect to this thought, the committee has reduced the estimate by \$100,000, the effect of which will be to require a further decentralization of personnel function by requiring that the various Treasury bureaus assume an increased measure of responsibility in coping with problems of personnel within its own bureau confines. The committee makes note of the fact that this Division has been charged with investigating un-American activities in the Department, but that only one hearing has been held, despite more than 350 complaints received, since 1943. Greater diligence in this matter is essential, and the committee will expect the Secretary of the Treasury to see that his Department is put in order. There should be no subversive elements in the Treasury.

"The health service program for the personnel of the Treasury Department has been given a reduction of about 40 percent. Inasmuch as this activity is in the general nature of dispensary care, it is felt that retrenchment is possible and warranted. Enough money has been provided for all emergency treatment."

Disbursements. "The estimate for the expenses of the Division of Disbursement is based upon the estimated number of checks to be written times the unit cost per check. The budget estimates anticipate that 188,000,000 of these items will have to be handled in 1948. The committee regards his estimate as excessive and accordingly, has reduced the estimate for this disbursing activity by \$1,600,000.

"The committee is impressed with the representation of Bureau officials that a new system should be devised to handle the problem of 'stale' checks.

"The committee has taken note of the fact that the estimate for the Division of Disbursement carried a total of over \$500,000 for overtime pay. It was testified that some of this overtime was necessary because of the failure of some Government departments to furnish pay-roll data in time to have checks made out in the normal routine course. The committee does not believe it justified to force the Division of Disbursement to pay overtime in order to fulfill an obligation to pay an employee of another agency on time, when that other agency is, by its dereliction, responsible for the delay causing the overtime. It would probably not require more than one delay in the issuance of checks to bring the offending department around to the point of setting its house in order to insure that such delay does not happen again."

Savings bonds. "The savings bond program of the Government continues to require constant encouragement and stimulation. Now that the war inducement to purchase Government bonds has ceased, appeals to investors must be made along different lines, and the desirability of purchasing United States savings bonds, as an investment, will continue to be encouraged reasonably through the media of the radio, the press, mail, and circulars. It is pleasing to note that there has been a gradual diminution in the administrative cost of selling these war bonds. At the present time, these costs have been reduced to approximately one-twenty third of 1 percent.

"The committee is convinced that the Government would be entirely justified in charging a fee for the replacement of any bonds that are lost, destroyed, mutilated, etc. It is thought that a small service fee for this replacement would be entirely reasonable and would in no way act as a sales resistant. The committee will charge the Bureau, therefore, with the responsibility of preparing a recommendation on this matter and presenting it for the consideration of the committee within 90 days after this report is published."

Penalty mail; buildings. "In 1946 the Post Office Department expended \$29,709,039 for handling penalty mail for Government agencies, other than military services. Had full postage been paid on this mail the revenues of the Post Office Department would have been increased by \$98,260,942. It might also be noted that the Post Office Department is responsible for and charged with the expense of maintaining Federal buildings throughout the country, and that in many instances these buildings are occupied in part by other Government agencies which do not pay rent or bear any share in the cost of maintenance."

"Office of Budget and Administrative Planning [Post Office Department] requested and was allowed \$59,500, which the committee felt was a small sum in view of the work this Office does to promote the efficiency of the department. A work simplification program for the service has been undertaken by this Office, and already has resulted in savings. This program should be continued and expanded, and adequate rewards should be given promptly to those employees in the service who contribute worth-while ideas."

Rep. Miller, Conn., recommended elimination of the provisions limiting the prices of typewriters for the Government (pp. 1956-7).

2. URGENT DEFICIENCY APPROPRIATION BILL. Received the conference report on this bill, H.R. 1968 (pp. 1935-6). The conferees provided for a \$2,000,000 rescission for OPA and for liquidation by June 30, 1947. The rescissions for this Department were not changed (see Digest 13).
 3. SCHOOL-LUNCH PROGRAM. Rep. Pace, Ga., spoke in favor of a supplemental appropriation for this program (pp. 1966-7).
 4. WOOL TARIFF. Reps. Rich (Pa.) and Hill (Colo.) spoke in favor of maintaining the tariff on wool (p. 1939).
 5. SUGAR. Received a Wis. Legislature memorial favoring removal of sugar controls (p. 1970).
 6. BANKING AND CURRENCY. The Banking and Currency Committee reported without amendment H.R. 2413, which amends the provisions of the Federal reserve Act regarding sale of U.S. obligations (H.Rept. 116) (p. 1968).
- SENATE
7. PRICES. Sen. McMahon, Conn., called attention to rising prices, mentioning agricultural prices particularly, and urged business to take action to stop the rising spiral (pp. 1924-5).
 8. SUGAR. Received a Wis. Legislature resolution urging the decontrol of sugar (p. 1876).
 9. SCHOOL-LUNCH PROGRAM. Received a Ga. Legislature resolution urging the continuation of this program (p. 1878).
 10. DISBURSING OFFICERS. Both Houses received from the Treasury Department proposed legislation to provide for the orderly transaction of public business in event of the death, resignation, or separation from office of regional disbursing officers of the Treasury Department (pp. 1876, 1968).
 11. MONOPOLIES. Agreed to Sen. O'Mahoney's (Wyo.) request that the special report of the Federal Trade Commission, "The Present Trend of Corporate Mergers and

Acquisitions," be printed as S. Doc. 17 (p. 1881).

12. EDUCATION. Received a La. Legislature resolution urging the appropriation of funds to assist the States in their elementary and secondary educational programs (p. 1877).
13. MINERALS. Sen. Dworshak, Idaho, inserted Idaho Legislature memorials opposing the proposed plan for the leasing of mining claims by the Government, and urging special tariff consideration for minerals (p. 1877).
14. RECESSED until Wed., Mar. 12 (p. 1934). Both Houses agreed to meet in joint session on Wed. to hear the President's message on the Greek problem.

BILLS INTRODUCED

15. SUPPORT PRICES. S. 853, by Sen. Eastland, Miss., to increase loan rates on basic agricultural commodities, to extend and increase price support on non-basic agricultural commodities. To Agriculture and Forestry Committee. (p. 1880.)
16. BUILDINGS AND GROUNDS. S. 833, by Sen. Cain, Wash., authorizing the U.S. and D.C. Governments to pay for water and water services secured from the D.C. water system and authorizing loans from the U.S. Treasury for the expansion of the water system. To District of Columbia Committee. (p. 1880.)
17. SURPLUS PROPERTY. S. 860, by Sen. Hatch, N.Mex., to amend the Surplus Property Act with respect to disposal of property to meet the needs of small business. To Armed Services Committee. (p. 1880.)
18. RUBBER. S.J.Res. 83, by Sen. Ives, N.Y., to strengthen the common defense by maintaining an adequate domestic rubber-producing industry. To Banking and Currency Committee. (p. 1881.)
19. WATER UTILIZATION. H.R. 2439, by Rep. Barrett, Wyo., granting the consent of Congress to the States of Utah and Wyo., to negotiate and enter into a compact for the division of the waters of the Henrys Fork River and its tributaries. To Public Lands Committee. (p. 1968.)
20. RECLAMATION. H.R. 2440, by Rep. Boggs, La., to extend the Reclamation laws to the State of Louisiana. To Public Lands Committee. (p. 1968.)
21. CONSUMER CREDIT. H.R. 2443, by Rep. Davis, Ga., to cancel regulation W and to prevent regulation of consumer credit by the Federal Government. To Banking and Currency Committee. (p. 1968.)
22. PERSONNEL. H.R. 2447, by Rep. Jones, Wash., to amend the Civil Service Retirement Act. To Post Office and Civil Service Committee. (p. 1969.)
H.R. 2462, by Rep. Stevenson, Wis., to amend the Civil Service Retirement Act. To Post Office and Civil Service Committee. (p. 1969.)
23. MINERALS. H.R. 2455, by Rep. Russell, Nev., to establish within the Department of the Interior a National Minerals Resource Division. To Public Lands Committee. (p. 1969.)
24. LIBRARIES. H.R. 2465, by Rep. Jenkins, Ohio, to provide for the demonstration of public-library service in areas without such service or with inadequate library facilities. To Education and Labor Committee. (p. 1969.)
25. PURCHASING. H.R. 2469, by Rep. Anderson, Calif., to amend the act approved

SPECIAL ORDER GRANTED

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that on Thursday next, after disposition of matters on the Speaker's desk and at the conclusion of any special orders heretofore entered, the gentlewoman from California [Mrs. DOUGLAS] be permitted to address the House for 1 hour on the subject of the rising cost of living.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. SMATHERS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

[Mr. SMATHERS addressed the House. His remarks appear in the Appendix of today's RECORD.]

Mr. REDDEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

TERMINAL-LEAVE PAY

Mr. REDDEN. Mr. Speaker, on January 3 the gentleman from Florida, Congressman ROGERS, introduced a bill permitting ex-GI's to cash their bonds issued for terminal-leave pay. More than 9 weeks have elapsed and no action has been taken on this bill by the committee to which it was referred.

Recently the gentleman from Florida, Congressman ROGERS, filed a discharge petition in this House, asking that the minimum required number of 218 Members sign the petition, to the end that the committee might be discharged and the bill brought before the House for immediate consideration and passage. I have signed this petition and I hope every Member will do likewise. It is nothing but fair and just that we take prompt action now.

When the officers of the Army were given terminal leave pay they were not required to accept bonds; neither were they required to wait nearly 2 years as some of the enlisted men have done to receive their cash. A great percentage of these boys need this money now. They can use it in construction of a home or the purchase of a business which will make them more secure in the future.

The money for these bonds is already in the budget. It will not change the plan of Government financing one iota. I sincerely hope there will be no further delay in bringing this bill before the House.

COMMITTEE ON BANKING AND CURRENCY

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency may meet this afternoon while the House is in session

for consideration of House Joint Resolution 146 and other bills having to do with sugar.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

Mr. BUSBEY. Mr. Speaker, I ask unanimous consent that the Committee on Expenditures in the Executive Departments be permitted to sit this afternoon while the House is in session.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

SPECIAL ORDERS GRANTED

Mr. BUSBEY. Mr. Speaker, I ask unanimous consent that tomorrow at the conclusion of the legislative program of the day and following any special orders heretofore entered, I be permitted to address the House for 25 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. OKONSKI. Mr. Speaker, I ask unanimous consent that on Thursday next, at the conclusion of the legislative program of the day and following any special orders heretofore entered, I be permitted to address the House for 30 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

EXTENSION OF REMARKS

Mr. RICH asked and was given permission to extend his remarks in the RECORD and include an article by Alfred P. Sloan entitled "Which Way America?"

Mr. NORBLAD asked and was given permission to extend his remarks in the RECORD in two instances and to include in one an editorial.

Mr. RAMEY asked and was given permission to extend his remarks in the RECORD in two instances; to include in one an article appearing in the Christian Science Monitor entitled "Division Among Justices," and in the other an editorial entitled "No Experts on Everything."

Mr. SCHWABE of Oklahoma asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

IMPORT TAX ON COPPER

Mr. KNUTSON, from the Committee on Ways and Means, reported the bill (H. R. 2404) to suspend certain import taxes on copper (Rept. No. 108), which was read a first and second time, and, with the accompanying papers, referred to the Committee of the Whole House on the State of the Union and ordered to be printed.

PERMISSION TO ADDRESS THE HOUSE

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

TARIFF ON WOOL

Mr. RICH. Mr. Speaker, I listened to the gentleman from Texas a few moments ago talking about the tariff. I wonder how much the gentleman from Texas would like to reduce the tariff on wool. They now have 34 cents a pound duty. Texas is one of the largest wool-growing States in the country, and I wonder what he and the people of Texas are going to do when they reduce the tariff. Does the Texas delegation want the tariff on wool reduced? The wool growers now want the Commodity Credit Corporation to buy all the wool in this country. They want the Government to lose 10, 15, and 20 cents a pound on it if necessary to maintain the price with the tariff, and I wonder just what the gentleman from Texas and these other fellows from the South who are depending on the Government to dig them out of the hole are going to do? They want subsidies on most everything. They want our industries to run; they want high labor standards. I ask you this, How will you maintain our standard of wages, how will you keep industries running. You buy all your goods from abroad. Who can buy it here? Where will your wages come from when industry is shut down? I say we must have a protective tariff or bang. They get the business and we get left in the lurch. I am for protective tariff for American labor and industry.

I further want to state here today that we must think hard, work fast, and make up our minds that we cannot finance any longer all the countries of the world. We are breaking down our own stability, weakening our Treasury, securing the enmity of the countries of the world. Snooping into other countries' business, men and women, I am for America first, last, and all the time, and I will not destroy America to save any country, large or small.

PERMISSION TO ADDRESS THE HOUSE

Mr. HILL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

TARIFF ON WOOL

Mr. HILL. Mr. Speaker, I take this time to inform the gentleman from Pennsylvania [Mr. RICH] that before our Committee on Agriculture came the finest type of gentlemen from Texas that I have ever seen, all supporting a plan to keep the tariff on wool. Maybe they would like to know what is going on here this morning?

PERMISSION TO ADDRESS THE HOUSE

Mr. CHURCH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

THE LATE MRS. CARRIE CHAPMAN CATT

Mr. CHURCH. Mr. Speaker, the last of the veteran woman suffragists, Mrs. Carrie Chapman Catt, went to her reward March 9, 1947, at her home in New Rochelle, N. Y. During her entire lifetime, she was a pioneer and crusader for women's rights.

In my second term in the Illinois Legislature, it was my privilege to vote June 10, 1919, for the ratification of the nineteenth amendment to the Constitution granting women of the United States the right to vote, a cause which Mrs. Catt championed and crusaded for, and on the day the action of the Illinois Legislature was completed, at the request of some of the leaders of the woman's suffrage movement in Illinois, including Mrs. Catherine Waugh McCullough, Mrs. Wirt E. Humphrey, and others, I sent Mrs. Catt telegraphic word of the action of our State. The nineteenth amendment was proposed by Congress June 4, 1919, and Illinois has the distinction of being one of the first three States which on June 10, 1919, ratified the amendment.

In a day when very few women were going to college, Mrs. Catt attended and graduated from the Iowa State College. She served as president of the National American Woman Suffrage Association and in 1911 made a world tour in behalf of woman suffrage. Shortly after the nineteenth amendment to the Constitution was ratified, Mrs. Catt was active in the organization of the National League of Women Voters and was its honorary president. She never ceased to work for women's rights and she will be long remembered by women everywhere for her contribution to their cause.

CORRECTION OF THE RECORD

Mr. RAMEY. Mr. Speaker, I ask unanimous consent to make a typographical correction in the CONGRESSIONAL RECORD under date of March 6, on page 1799, first column, where it says "Mr. Coolidge was the only ex-President who has been libeled by these mental sadists." That should be changed to read "Mr. Coolidge was the only ex-President who has not been libeled by these mental sadists."

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

SPECIAL ORDER GRANTED

Mr. AUGUST H. ANDRESEN. Mr. Speaker, on January 3, I introduced House Resolution 21, to continue the special Committee on Wildlife Conservation. I ask unanimous consent that on Thursday of next week, at the conclusion of the legislative program of the day and following any special orders heretofore entered, I be permitted to address the House for 20 minutes on that resolution.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

EXTENSION OF REMARKS

Mr. HARRIS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a very interesting communication which I wish to call to the attention of the Members of the House.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

[The matter referred to appears in the Appendix.]

Mr. BELL asked and was given permission to extend his remarks in the RECORD and include a clipping from the Washington Post and also a clipping from the New York Times.

Mr. CANNON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on a great Missourian, Mr. J. B. Powell, and include excerpts from the speech he made a few minutes before his death.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

[The matter referred to will appear hereafter in the Appendix.]

PERMISSION TO ADDRESS THE HOUSE

Mr. GRANGER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Utah?

There was no objection.

TARIFF ON COPPER

Mr. GRANGER. Mr. Speaker, I was very much intrigued by the statement just made by my distinguished colleague from Colorado [Mr. HILL] and the colloquy between him and the gentleman from Pennsylvania [Mr. RICH].

I had lost heart in the majority party. I thought they were going to depart from their traditional policy of a protective tariff. Since I have heard these two gentlemen, I feel very confident and sure now that this House will not reduce the tariff on copper.

INTERNATIONAL EDUCATIONAL EXCHANGES—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 167)

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, together with the accompanying papers, referred to the Committee on Expenditures in the Executive Departments and ordered to be printed:

To the Congress of the United States:

I transmit herewith a report by the Acting Secretary of State on the operations of the Department of State under Section 32 (b) (2) of Public Law 584, 79th Congress, as required by that law.

HARRY S. TRUMAN.

THE WHITE HOUSE, March 10, 1947.

[Enclosure: Report from the Acting Secretary of State concerning Public Law 584.]

PERMISSION TO ADDRESS THE HOUSE

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to address the House

for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

ECONOMY AND TAX REDUCTION

Mr. HOFFMAN. Mr. Speaker, the Sunday papers carried the announcement that the leadership of the minority party had organized and were going to put into action not a goon squad, but General Gore's gorgeous flying squad of courageous and glorious guerillas just to needle the Republicans and rejoice over an anticipated failure on the part of the Republicans to carry on a program of economy and tax reduction.

One of the orators of the squadron spoke this morning about taking care of the veterans. I think we are all in favor of that. I heartily agree with all that the gentleman from South Carolina [Mr. DORN] said about Mr. Truman, and I endorse the gentleman's statement as to the President's ability, but my suggestion is that we take care of our present World War veterans before we start another war and get another crop of veterans by sending an army to Turkey and Greece, and again to every corner of the world to impose our ideas on all others. If we want to fight communism, we might start right here in Washington.

THE COPPER BILL

Mr. KNUTSON. Mr. Speaker, I ask unanimous consent that it be in order to call up the bill, H. R. 2404, on Thursday.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

Mr. FORAND. Mr. Speaker, reserving the right to object, I will not object if the printed hearings are available at the time the bill is considered.

Mr. KNUTSON. I amend my request accordingly, Mr. Speaker. We were told the printed hearings would be ready tomorrow and with that understanding I ask unanimous consent that it be in order to call up H. R. 2404 on Thursday.

Mr. FORAND. The truth of the matter is that we have had closed hearings on this bill. Several of the Members, I know, are opposed to it and are entitled to at least know what is in the hearings.

Mr. RAYBURN. Mr. Speaker, I shall have to object unless the gentleman from Minnesota wishes to withdraw his request at this time.

Mr. KNUTSON. Mr. Speaker, I withdraw my request.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries.

TREASURY AND POST OFFICE DEPARTMENTS APPROPRIATION BILL, 1948

Mr. CANFIELD. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 2436) making appropriations for the Treasury and Post Office Departments for the fiscal year ending

JUNE 30, 1948, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate run throughout the day, the time to be equally divided and controlled by the gentleman from Maryland [Mr. D'ALESSANDRO] and myself.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

Mr. RAYBURN. Mr. Speaker, reserving the right to object, and I shall not object, of course, but do I understand correctly that means the bill will not be read for amendment today?

Mr. CANFIELD. The first paragraph of the bill may perhaps be ready today.

Mr. RAYBURN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from New Jersey.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 2436, with Mr. MICHENER in the chair.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. CANFIELD. Mr. Chairman, I yield myself 40 minutes.

It is a privilege to be chairman of the Subcommittee on Treasury and Post Office Appropriations, and I am proud of its membership—all earnest, serious-minded, patriotic men, determined to do the very best in the assignment that has been given us. Day and night for many weeks we have labored as a team. Always the work was priority No. 1. Some of us missed a roll call or two during the examination of witnesses. Members made personal sacrifices to attend many of the sessions, and this is especially true of the able and distinguished ranking minority member, the gentleman from Maryland [Mr. D'ALESSANDRO]. In point of service on the subcommittee he is the senior member, and he has brought to the subcommittee a practical knowledge of the operations of government, an insistence on sound principles of economy and efficiency, and a spirit of cooperation. We have been fortunate to have serving with us the gentleman from Illinois [Mr. DIRKSEN], who, in addition to his many other capabilities, brought to the subcommittee the most exhaustive knowledge of the budget possessed by any one man in the Federal Government. The gentleman from Virginia [Mr. GARY], with many years of experience as a tax attorney, as State tax commissioner, and as a member of the old Post Office Committee of the House, contributed invaluable expert knowledge. Although new members of the Appropriations Committee, the gentleman from Ohio [Mr. GRIFITHS], the gentleman from North Dakota [Mr. ROBERTSON], and the gentleman from Kentucky [Mr. BATES], are experienced Members of Congress, have fine backgrounds for this work, have studied the problems involved, been faithful in attendance, and contributed a great deal to our work.

Midway in our labors we lost our courteous and able clerk, Mr. Jack McFall, who has left the Capital to take up duties in the Foreign Service. A real veteran in appropriations work, a wise and patient counsellor, his departure is a real loss to Congress, and particularly to the Appropriations Committee. We have been fortunate in having the chairman assign to our subcommittee Mr. Claude Hobbs, who took off his coat to do a real job. Mr. George Harvey, clerk to the full committee, gave us the benefit of his years of experience.

The subcommittee's approach has never been partisan and the subcommittee was unanimous in its findings. The recommendations were unaltered by the full Appropriations Committee and the bill was reported to the House by unanimous vote.

The cry grows daily that the budget of the country be put in balance and a program of orderly debt reduction be instituted. Taxpayers are demanding relief. Mr. American Citizen is studying his government, appraising its functions, and watching his board of directors as never before. It is recognized that our way of life can be destroyed from within, that a solvent nation is the first and foremost bulwark against any enemies from without. Reports of wasteful expenditures and of employee indolence are morale-breaking. Action is demanded now. I feel that this bill is a step towards answering these demands. This is the first 1948 appropriation bill. It provides economy and serves efficiency. People are watching Congress today to see what action we take on this first bill. I believe the taxpayers will hail adoption of the bill as it was reported, and I am sure that we will have no justifiable complaint from the agencies involved that they are being hampered in their essential work.

It should be noted that the permanent appropriations of the Treasury Department include \$587,560,000 for retirement on the public debt. This is the result of a statute passed after World War I, and I regret to have to report to the House that the Treasury Department has not, in past years, been making this mandatory debt reduction. Over \$6,000,000 of this appropriation remains unused, as is brought out in the questioning of the Secretary of the Treasury by the distinguished chairman of the Appropriations Committee, the gentleman from New York [Mr. TABER]. The era of deficit financing has come to an end. It is time that the Treasury Department respected the spirit and the letter of Congress' dictates. The Bureau of the Budget expects to use only about \$200,000,000 of the money Congress makes available for this sinking fund transaction this year. I sincerely hope that this estimate will be revised upwards at an early date and that in the future this law will be carried out.

Shortly before we began our hearings we learned of the so-called Morgenthau-Diary incident. It was reported that public moneys may have been spent in the compilation. Papers needed by the Treasury were included therein. We requested the Secretary of the Treasury

and members of his staff to tell us the story. Between the two appearances of the Secretary before the subcommittee the former Secretary, Mr. Morgenthau, volunteered to make all such papers available for inspection by the Treasury Department to determine whether any should be returned. We have reason to believe the committee may have been helpful in this decision. Meanwhile, we are urging the appropriate legislative committee to review the incident as developed in our committee's examination, which appears on pages 875-886, and 467-469 of the Treasury hearings, and page 4 of the post office hearings. New law may be needed.

The subcommittee has called on the investigative staff of the full committee to look into the typewriter situation because of conflicting reports bearing on price, and rumors, all unconfirmed, that there is a large supply, new and used, in Government surplus stocks. Because of the ceiling price on typewriters written into this appropriation bill for many years, some of the companies are refusing to make offers.

Adoption of this bill will permit expenditures by the Treasury and Post Office Departments of \$12,388,229,971. Of this, \$10,857,496,721 is for the Treasury, and this includes \$9,186,179,221, representing permanent appropriations for general and special funds, and trust funds such as old age, survivors, and unemployment insurance, as well as \$5,000,000,000 for interest on the public debt, all of which is beyond the control of the committee. Of the \$1,671,317,500 carried in this bill for the Treasury, only \$425,000,000 is for the actual operating expenses of the Department, and this amount represents a cut of 16 percent in the budget estimates. The bill carries \$1,530,733,250 for the Post Office Department, and this amount will permit the continuation of present service in every respect. The subcommittee on the Treasury and Post Office, in actions confirmed by the Appropriations Committee, has cut the estimates for operating expenses contained in the budget by \$94,072,750, the refund of taxes and duties by \$803,000,000, and is recommending an appropriation \$159,538,982 less than 1947's.

Other than perfecting language recommended by the Bureau of the Budget, which has been inserted largely for clarification, or in a few instances to carry out provisions of laws passed by the Seventy-ninth Congress, the committee has not altered the general language of the bill, and the intents of the 1947 appropriation act have not been changed.

In the 1947 appropriations for the Treasury there were five indefinite appropriations, through which the Treasury was authorized to pay out "such sums as may be necessary." The Treasury estimated that it would pay out under these indefinite appropriations \$2,050,700,000 in fiscal 1948. With a firm conviction that Congress should provide specific sums for stated functions and processes of government, reserving the right to modify any action as circumstances might dictate, the committee

eliminated all indefinite appropriations and placed a specific amount for each item in the bill.

The largest of these appropriations was for refunding of internal-revenue collections. The Treasury estimated that \$2,031,000,000 would be required for this purpose in 1948. Looking into the matter, the committee concluded that the estimate was excessive. On page 495 of the hearings you will find testimony of officials of the Bureau of Internal Revenue of this subject, and it will be noted that the Bureau could not entirely justify its estimates; that it was using assumptions not proved entirely correct. It was admitted their figure was only a guess. You will note that an allowance was made for refunding capital-stock taxes but the capital-stock tax was repealed in 1945, and certainly should be a dead issue by the time fiscal 1948 comes around. You will note that they expected the tax on distilled spirits to be decreased on July 1 next; but Congress has voted to continue present excise taxes. These distilled-spirits refunds alone were estimated to be \$162,000,000, although less than \$40,000,000 has been the normal expenditure in past years.

The Bureau expects that personal withholding tax refunds will amount to \$800,000,000, but it does not appear that the Bureau has taken into full consideration that the people are better educated regarding the tax returns, employers have had greater experience in this work, and the clerical and administrative personnel in the Bureau's field offices have had additional training and are better able to perform their duties. Secretary Snyder himself testified that they expected more efficient work from their employees in the Bureau as the result of added experience and training. You will also find in the hearings the statement by responsible Bureau of Internal Revenue officials that this \$2,000,000,000 estimate was just a guess, and admission that the committee's guess might be just as good.

Taking into consideration the evidence given us, and after careful study, the committee believes that refunds of internal revenue collections in 1948 will not exceed \$1,231,000,000, and has therefore written an appropriation of that amount into the bill in place of the indefinite appropriation. We do not intend to leave the impression that this \$800,000,000 reduction will save a single dollar for the taxpayers. The Government will still have to pay out whatever taxes are paid unnecessarily. We do feel, however, that it is sound business and in the interest of responsible Government financing, that the estimate should be as nearly correct as possible. We believe our figure is the more nearly correct, and should be used in budgetary computations.

The other major indefinite appropriation made specific was for refunds of customs collections, testimony regarding which appears on page 819 of the hearings. This is another item in which the expenditure is uncontrollable, but once more the committee feels that it has inserted a figure more nearly correct than that subcommittee for con-

sideration in the President's budget. This has only been an indefinite appropriation for the past 3 years. The Customs Bureau requested \$18,000,000 for this purpose in 1948, admitting that this figure was an estimate based on a belief that there would be an increase in foreign trade. This estimate did not seem to be borne out by testimony presented. The actual expenditures for the fiscal year 1946, the last year for which figures are available, was only \$10,836,154. For the first 5 months of fiscal 1947 draw-backs and miscellaneous refunds ran well below estimates, although there was some increase over estimates in refunds on duties. The committee feels that the amount of the Bureau's estimated expenditures in 1947 will also be sufficient for 1948, and therefore has made a specific appropriation in that same amount, \$15,000,000.

Other appropriations made definite were for refund of moneys erroneously collected, payment of certified claims, both in the amount of \$700,000; and payment of unclaimed moneys, for which \$100,000 is allowed.

For the actual operating funds of the Treasury, approximately \$503,500,000 was requested. The committee has allowed about \$425,000,000. Since this Department is largely a service agency, the reduction may be considered substantial. The 16-percent reduction involved here is in large part applied against personal services, and will cause a reduction in Federal employees. No exact figures on the number that will be released can be determined at this time, but the committee's report directs that those employees who cannot be retained in 1948 shall be dismissed now, so that their terminal leave payments will be taken from 1947 appropriations. No allowance is made for terminal leave payments to such employees in the 1948 appropriations, and the Appropriations Committee has voted that no deficiency request for this purpose will be considered. Personnel reductions in the Post Office Department will not be as extensive as in Treasury, and will be limited almost entirely to administrative personnel. These reductions will also have to be made immediately.

Last year this bill carried 57 separate items of Treasury appropriation. Despite the fact that 5 items were added to this bill through making definite the indefinite appropriations, there are only 48 items in this bill. Some appropriations were no longer necessary, and the Department recommended their elimination. A few things were added in accordance with laws passed by the Seventy-ninth Congress; the items added were those relating to the operation of the Federal Tort Claims Act and the requirement for separate appropriations for health services. There was one consolidation, whereby four appropriations were merged into one for greater efficiency and economy.

Of the 48 items appearing here for the Treasury, two exceed the estimates submitted, because of consolidations of accounts. Ten were given the same amount as requested, 17 were allowed more than they had in 1947, and 19 were cut below the 1947 level.

One of those which received an increase over the estimates was the general counsel of the Treasury, and this extra money was made necessary because the Office of Tax Legislative Council, the Division of Tax Research, and the Division of Research and Statistics, each of which had a separate appropriation in recent years, were placed under the Office of General Counsel.

The Division of Tax Research and the Tax Legislative Council have been making studies in wide fields, many of them overlapping, and no evidence was introduced proving the value of such studies. A review of the testimony given by the heads of these two offices will show duplication of effort. For example, on page 100 of the hearings, Mr. Shere, acting director of the Office of Tax Research, said in relation to personnel income taxes for the Federal Government in community-property States:

We are working on the whole problem.

Mr. Surrey, the Tax Legislative Counsel, spoke on the same subject on page 128, and said:

In the last year we have been reconsidering the matter.

On page 99 you will find this statement on tax research by Mr. Shere:

In addition to servicing Treasury officials, studies prepared for that purpose also serve in connection with the Treasury's presentation of testimony to Congressional tax committees, the House Ways and Means Committee and the Senate Finance Committee.

Compare this with Mr. Surrey's statement on page 117:

We represent the Treasury Department before the Committees of Congress that deal with tax matters. These are primarily the House Ways and Means Committee and the Senate Finance Committee.

I could cite other examples, but I think the case against these offices can be stated thus: On page 99 Mr. Shere made this statement:

We assist the Bureau of Internal Revenue.

When Internal Revenue Commissioner Nunan was asked about these two offices, Tax Research and Tax Legislative Counsel, he said:

As far as I am concerned, Mr. Congressman, I have never had occasion to use them.

The committee felt, since the funds for the Office of General Counsel were increased to provide for these three additional offices, that there will be ample money to conduct any legal and economic research necessary for immediate requirements. The consolidation will save \$245,000.

The only other place where the estimates were increased was in a printing item for one of the divisions of the Bureau of Accounts. This was also due to consolidation, since all printing funds were concentrated in one account for the Bureau of Accounts, and this transfer involved no change in the total carried in the bill.

The total amount carried herein for the departmental offices under the Office of the Secretary of the Treasury is \$9,017,000. This is a reduction of \$719,500 from the estimates, and will force some cuts in personnel. The consolidations

under the General Counsel comes under this heading.

Another cut under this heading was for the Division of Personnel, which has been increasing in size despite that fact that personnel work was being decentralized throughout the various parts of the Department. The reduction will force a further decentralization, but will leave this office sufficient funds to operate as a policy group on the departmental level. It might also be noted that this office was supposed to handle all complaints received about Treasury personnel alleged to be engaged in un-American activities. Since this program was put into effect 3 years ago, the Division received 352 complaints. Only one hearing was held, and that in November 1943. Certainly the Treasury has been most lax in this respect, and I would recommend a reading of pages 261 through 269 of the hearings by members of the Committee on Un-American Activities. It might also be said at this time that there is no un-American problem reported by the Post Office Department and the Postmaster General testified that there were no complaints in that agency.

A new item appearing in this bill for the first time, as the result of legislation passed by the Seventy-ninth Congress, was for health programs. In the past, health programs have been in effect, but for the Treasury they were taken care of by the Public Health Service, and no special funds were earmarked in previous Treasury appropriation bills. This had to be included this year, and the Department asked for \$138,700. Since this is only for dispensary cases, it was believed that this figure was excessive, and \$75,000 was finally allowed. In addition to showing that last year these dispensaries handled only 28 cases per day per unit, or 9 cases per day per health service employee, the testimony on this subject, appearing on pages 285 to 290 of the hearings, is highly interesting.

The largest single item under the Office of the Secretary is for penalty mail, and this will require \$6,700,000 in 1948. The reason for this large sum, which is a little more than \$2,000,000 over the 1947 figure, is due to the fact that the Treasury Department's Division of Disbursement mails out the checks for the Veterans' Administration and the Federal Security Agency, both of which will be sending out great numbers of checks in 1948. The additional pieces to be mailed in all in 1948 exceed the 1947 total by about 70,000,000. In 1948, the Veterans' Administration alone expects to mail out about 100,000,000 checks. The Bureau of Internal Revenue will send out 18,000,000 more checks than it did in 1947. The other part of this increased appropriation is due to the fact that the Post Office has ordered an increase in payments for handling penalty mail, this increase amounting to about 20 percent per thousand letters.

My colleagues on the subcommittee are going to tell you presently of the appropriations for the fiscal and enforcement branches of the Treasury Department, but I want to discuss for a few minutes the two largest reductions carried in this bill. Coast Guard estimates were cut

\$36,000,000, and Bureau of Internal Revenue, exclusive of refunds, \$30,000,000.

The Coast Guard has sought to expand greatly in recent years, and the estimates submitted by this agency make it appear that while the President is seeking to unify the Army and the Navy, the Coast Guard is attempting to build itself up into a full and complete replacement for the independent Navy. The committee feels that the Coast Guard should be what the name implies; a Coast Guard, and not a small edition of a navy. Consequently, the committee has placed in this bill the sum of \$97,000,000 for Coast Guard activities. This reduction is not as drastic as might appear, for the Treasury Department cut the Coast Guard's original estimates \$61,000,000, and then the Bureau of the Budget cut them \$38,000,000 more. In making its reduction, the committee has sought to eliminate funds which would permit the Coast Guard to operate far beyond the coasts of continental United States. We hope to cause a reduction in the great and disproportionate numbers of high-ranking officers, whose rank was created admittedly to keep pace with Navy protocol. We aim to prevent the construction of buildings not urgently needed, and which would draw construction materials from vitally needed housing programs. And above all we hope to force better administration of this agency. Some of my colleagues will, a little later, give you specific examples of the waste, the extravagance, and the grandiose schemes of the Coast Guard.

The committee has placed this ceiling of \$97,000,000 for Coast Guard expenditures in the bill. It is pointed out that this amount is \$72,000,000 more than its total appropriation just 10 years ago, for 1938. In setting this ceiling, we have permitted some elasticity so that the Coast Guard may administer reductions in the way it feels best. In past years, there have been nine separate appropriation items for Coast Guard. This year we have retained the language of each of the individual appropriation items, and have inserted a limitation on the expenditure for each. These limitations, if added up, amount to about \$111,000,000, but since the ceiling on expenditures for over-all activities is \$97,000,000, the Coast Guard itself will have to determine the points in which it will not spend up to the limitation. It may be that some items can be reduced rapidly and drastically, but that others will take longer, and cannot be cut too deeply. Thus this permissive authority, amounting to about \$14,000,000, should permit orderly curtailments with the considerable latitude left to the agency.

It is not intended to reduce enlisted personnel below the 19,500 ceiling now in effect. There is a limitation of \$70,000,000 for pay and allowances, and this is only \$4,000,000 less than 1947. If the Coast Guard will carry out the intent of the bill, the reductions will be made in officer ranks. The committee feels that ample funds have been provided to permit continuation on the present scale, of Coast Guard search and rescue operations, including life saving activities

along the coast. There is enough money in this bill to permit maintenance of aids to navigation along the coast. The work of the Bureau of Merchant Marine Inspection should be unimpaired, although it will have to be better administered.

Where the cut will apply chiefly is to the blue water operations of the Coast Guard. One request which has been disallowed, for example, is the amount of nearly half a million dollars to build a storehouse for buoys in the Mariannas Islands. The Coast Guard will have to stop providing aids to navigation for the new Republic of the Philippines. We have not included funds, amounting to millions, for erection of loran stations in Alaska, where they would be of use only to the Navy for maneuvers. The Coast Guard will have to stop duplicating the research work being carried on by other government agencies and private companies.

The Coast Guard will have to cease its overseas operations, but I can assure the Members of the House who represent coastal areas that, with efficient administration, the present work of the Coast Guard in the coastal waters of the United States can and will continue on its present basis.

A word about the reduction in administrative expenses of the Bureau of Internal Revenue, where \$208,000,000 was requested, and \$178,000,000 allowed. In 1947 internal revenue collections dropped from \$40,000,000,000 to \$37,000,000,000. It is estimated by the bureau that there will be a further drop in 1948 of \$1,000,000,000, without including an even greater drop if Congress passed a tax reduction act. Yet the Bureau asks \$34,000,000 more, and will have 3,000 more employees, for 1948 than it had in 1946. The percentage of taxes to be collected through enforcement activities in the 1948 estimates is less than 7 percent, compared with more than 8 percent in 1939 and 1940, when the appropriation was one third of its present size. This makes it appear that we have reached the point of diminishing returns in appropriating for enforcement activities. If \$174,000,000 and 50,000 employees were sufficient to collect \$40,500,000,000 in taxes in 1946, certainly \$178,000,000 and 53,000 employees should be sufficient to collect \$36,000,000,000 in 1948.

I shall only speak briefly of the Post Office part of this bill. The Post Office is also a service agency. It is also one of the biggest businesses in the world. It is operating at a deficit which must be eliminated, but it can be eliminated only through both an increase in revenues and a reduction in expenditures, not one part of the equation alone. The Appropriations Committee has therefore recommended to the appropriate legislative committee that prompt consideration be given to the matter of increasing the revenues.

The estimated deficit in 1948 will be about \$338,000,000, on the basis of appropriations carried in this bill and the revenues as estimated at present. Over \$300,000,000 of this deficit will be caused by the pay increases for postal workers passed by the Seventy-ninth Congress. It can also be pointed out that revenues

from handling penalty mail for Government agencies—for which the Post Office bills the various departments and agencies of the Government at the rate of \$18.50 per thousand letters—are paid directly into the Treasury and are not credited as postal revenues. In 1946 it cost the Post Office Department \$30,000,000 to handle this mail. It should also be noted that the Post Office Department is responsible for and charged with the expense of maintaining Federal buildings throughout the United States, and that in many instances these buildings are also occupied in part by other Government agencies which do not pay rent or bear any share in the cost of maintenance.

The amount carried in this bill for the Post Office Department is \$14,000,000 below the estimates, but all reductions have been made without curtailing any service. The sum provided will make it necessary for the Post Office Department to provide strict administration, eliminating waste, and making full use of all its supplies and equipment. Certain surveys have been directed, so that the Department itself can suggest some retrenchment, and it is felt that in 1949 a lower amount will be necessary for the Post Office. Most of the savings made from the estimates have been made by denying requests for additional personnel, and by eliminating some activities that might have been desirable but were not necessary. No Member need worry, however, that the service now being supplied in his district, whether it be city delivery or rural delivery, will be impaired in the slightest. In fact, for the benefit of those living in areas served by rural delivery, provision has been made in the full amount requested by the Post Office Department for extensions of service.

No major cuts were made against the office of the Postmaster General nor in the departmental offices in Washington. It is expected, however, that some reduction in force will be required, particularly among personnel and public relations workers.

It is in the office of the Fourth Assistant Postmaster General that economy can best be practiced, for this officer has charge of all post-office buildings, vehicles, and equipment. In reducing the estimates \$3,493,000 this division will have less than it did in 1947. Equipment must be made to last longer, and supplies must be purchased with greater caution, while their use is more carefully supervised. Some work that is not necessary will have to be eliminated. A good part of the reduction was made because the request for over \$5,000,000 for new equipment was considered excessive.

I believe that adoption of this bill in its present form will be an encouraging omen for taxpayers of the country, and will not be condemned as a ruthless slashing of the departments. It serves economy and preserves efficiency.

Mr. D'ALESSANDRO. Mr. Chairman, I yield myself 15 minutes.

The CHAIRMAN. The gentleman from Maryland is recognized for 13 minutes.

Mr. D'ALESSANDRO. Mr. Chairman, I would like to emphasize the fact that this

bill is presented with a unanimous subcommittee report. We have worked together without divisions, without partisan bickerings, and with the sole intention of reporting an appropriation bill permitting the greatest possible service to the American people at the lowest possible cost. I believe we have succeeded. The gentleman from New Jersey [Mr. CANFIELD], serving for the first time as chairman of this subcommittee, has displayed a sense of fairness and justice on all occasions, worked hard, and has made an able leader, and it was a pleasure to work with him on this bill.

This is an economy bill. It is not wild, uncontrolled economy where estimates have been slashed without regard for service functions or public responsibilities. It does not contain the drastic cuts which have been rumored in the press. It is sane economy, necessary for the cause of good government, whereby unnecessary expenditures have been eliminated and in some cases activities that are desirable but not essential have been curtailed. If this bill is adopted, the American taxpayer will find that his twin demands for continued service and reduced expenditures have been met.

This bill does not interfere with the permanent appropriations for the Treasury. The Department estimated that \$9,186,179,221 will be required for general and special trust funds, including the old age trust funds and the unemployment insurance funds, and the committee has not tampered with these figures. We did not change the Treasury's estimate that \$5,000,000,000 will be needed to pay the interest on the public debt, although there were rumors that this amount was excessive.

The Bureau of the Public Debt, which handles this matter, has been allowed slightly less than \$66,000,000, for fiscal 1948 for administrative purposes, and this does represent a reduction of about \$3,500,000 from the estimates although it is almost the same figure as allowed in 1947. Pages 29 to 34 of the hearings on the Treasury bill contain figures on the public debt, giving a picture of the \$257,600,000,000 debt as it was at the close of 1946. The administration of this debt is a mammoth undertaking, including as it does the sales of war bonds. In reducing the appropriation for this Bureau, the committee has specified that not more than \$125,000 of the cut shall be applied against the Savings Bond Division, which is the Division promoting the sale of war bonds. This selling program requires constant encouragement and stimulation. The patriotic motives that caused people to buy bonds during the war is no longer so apparent. The desirability of buying these bonds as an investment must be emphasized. It should be pointed out that the administrative costs of selling these war bonds has been reduced to one twenty third of one percent.

I should like to mention two other bureaus of the Treasury particularly at this time, for they are working branches of the Government which perform tremendously important functions, but which are all too often taken for granted. They are the Bureau of Engraving and Printing, and the mint, and testi-

mony regarding them makes interesting as well as informative reading. Such testimony appears on pages 384 through 439 of the hearings.

The Bureau of Engraving and Printing designs, engraves, and prints securities, and other documents, currency and stamps for the United States Government, and for some foreign governments on a reimbursement basis. Our Government prints currency for the Cuban Government, and only recently completed an order for Siam. While several countries do have their own bureaus of engraving and printing, a great many buy their currency from private businesses, there being two or three companies in London and two in this country engaged in such work.

The Bureau submitted its estimates to the committee showing that there was expected to be some decline in the amount of nonreimbursable work during 1948, but that this would be offset by rising costs. One of the largest items making up this appropriation is for overtime, for which \$1,300,000 was requested. Much of this overtime arises from the fact that other Government agencies send urgent and rush orders to the Bureau. Careful planning, perhaps through supervision by the Bureau of the Budget, should eliminate some of this overtime, and permit a sizable reduction in the amount paid. Demands of other agencies are one of the chief causes of overtime in the Treasury Department, and such demands should be reduced to an absolute minimum.

Turning to the Bureau of the Mint, you will find that we have allowed an appropriation of \$6,467,500 for this service, which is an increase of slightly more than \$200,000 from the 1947 figures. The estimates have been reduced by \$719,000, but the amount carried in this bill is nearly three times the cost of this service in 1940. This increase is justified because costs of materials and costs of production have gone up. Wage increases have been granted to more than 2,000 people employed in the mints and assay offices, almost all of these people being union members. But the biggest cause of the increase has been the growing demand for coins. When the price of a nickel bar of candy goes from 5 cents to 6 cents that creates a demand for pennies. An increase of 1 cent in the price of a package of cigarettes adds to the demand. There have been many of these instances in the past year or two. The demand for coins has dropped somewhat from the peak year of 1945, but there still were 2,106,859,000 coins delivered by the mints in 1946. Over 71 percent of this total appropriation goes directly for coinage.

The amount carried in this bill for the mints will not cover the total expenditures of the mints in 1948, for there are large reimbursement items. Our mints make coins for some foreign countries. They make the medals used by our military services. For this work they are, of course, reimbursed. In 1946, the mints got, roughly, \$5,000,000 from Congress, and collected \$6,000,000 from other sources from outside work.

Too often we think of the Treasury as being nothing but a great big bank.

These examples of the Bureaus of Engraving and the mint show that there is a manufacturing side to this Department. It operates a tremendous detective agency in the Secret Service. It has a police force in the Bureau of Narcotics and the Bureau of Customs. Its work is complex throughout, and is not all book-keeping and accounting. The committee has had to cover many fields to determine fair and just appropriations for all this work. The job has been done thoroughly, and with careful thought and study to each item. The amounts carried in this bill will permit the Treasury to carry on its high standards of service in all fields in fiscal 1948.

The Post Office Department has likewise received fair and most considerate treatment. The Postmaster General appeared before us, and gave us a frank and informed picture of the problems his Department faces. All members of the committee were impressed with the seriousness with which he has undertaken his duties, and the responsibility which he feels as the active head of one of the largest businesses in the world.

There is probably no other Government agency which operates in such direct contact with every citizen of the United States, and in every single part of the country. Our servicemen abroad look to the United States mail to bring them word of home. All our military leaders have told us of the great morale building done by mail during the war, and in a sense that morale is a mighty contributor to victory, the Post Office Department shouldered a tremendous burden.

The committee held exhaustive hearings on the Post Office Department, as it did on Treasury and has come to the conclusion that in 1948 the Department will be able to operate with a high degree of efficiency on \$7,642,000 less than it has for the current year. Some of this reduction was suggested by the Department itself. In other places the committee disagreed with the departmental estimates and cut them. We made the best compromises we could. No mail carriers will be discharged, nor will any clerks. Pay increases and statutory promotions will be honored. No essential rural delivery service, no vital star route, will be eliminated. But waste will have to be checked. New personnel will not be added. Administrative procedures will have to be streamlined.

Most people will be particularly interested in the field services of the First and Second Assistant Postmasters General, for these are the offices that deliver the mail. If the committee has erred in assigning funds for these two services, it has erred on the generous side, for no one would deliberately delay the mail or in any way imperil its rapid and safe dispatch. We have granted \$87,470,000 for compensation to postmasters, an increase of \$750,000 over the current year. We have increased the appropriation for assistant postmasters by \$100,000, although we have not allowed any new positions, and have suggested to the appropriate legislative committee that study be given to the question of limiting appointments of assist-

ant postmasters in the smaller second-class offices. We believe that it will be unnecessary to create any new clerkships in first- and second-class post offices, and that expenditures for overtime and substitute hire can be reduced by careful supervision, and we have lowered the estimates accordingly, although we granted \$9,784,000 for salaries of clerks in these offices so that statutory promotions and pay increases can be made.

Only recently were clerks in third-class post offices placed in the classified service, and all these positions have not yet been covered into the civil service. The conversion to the classification system has proceeded more slowly than the Department expected, and will not meet the goal set for 1948, thus making unnecessary some of the money requested. However, \$24,000,000 has been granted for this clerk hire, and this represents an increase of about half a million dollars.

The estimated obligations in salaries for city delivery carriers were about \$288,000,000 in 1947. The committee has not seen fit to authorize any new positions, but we have added \$7,300,000 to meet all salary increases and promotions according to law.

A full continuance of all present rural delivery service, plus some extensions as required by law, will be permitted with the funds allowed this item—\$129,167,000. The estimates submitted by the Department were lowered somewhat, since it was not believed that the requested 150 additional carriers were absolutely necessary.

I would like to call your special attention to the section of the report dealing with special-delivery service, and also to the testimony on this matter, which appears on pages 46, 49, and 118. This is a particular problem to the post office, because Congress has passed a law which has increased the costs a great deal, while at the same time leaving the efficiency of special delivery service open to some criticism. We have asked that the legislative committee study the matter, and I have noted that the Post Office Department has submitted certain recommendations to Congress. Special-delivery messengers are no longer paid on a fee basis, but are now on salary. In addition, they are paid 75 cents an hour for the use of their cars. The appropriation carried in this bill is approximately the same as for 1947, but this represents a tremendous increase over a few years ago, due entirely to the new law.

In the field service of the Second Assistant Postmaster General we have had to increase the appropriation for star-route service because people are now charging the Government more to carry mail on these routes. We were able to effect some reductions in payments to railroads, because the volume of mail to be carried will probably decline in 1948. It should be noted at this point that the railroads just a week or so ago filed applications with the Interstate Commerce Commission, which fixes the rate the Government pays these carriers, for substantial increases. The Post Office has

indicated to the committee its intention to fight any such increases.

The volume of air mail carried during this fiscal year has not been up to expectations, and the Department asked for about \$11,000,000 less than it had this year. The amount appropriated in this bill is still somewhat above the expenditures for 1947.

I hope this bill will be passed by the House in its present form. It is fair to the departments involved and it is fair to the American taxpayers. No one should expect more.

Mr. BONNER. Mr. Chairman, will the gentleman yield?

Mr. D'ALESSANDRO. I yield to the gentleman from North Carolina.

Mr. BONNER. Yesterday in a radio discussion of this bill I heard the remark that the reduction to be effected in this bill with respect to the field workers of the Internal Revenue Bureau, that is, the inspectors and investigators of private tax returns, would be reflected in a loss to the Treasury greater than the saving effected. Is there any foundation for that statement?

Mr. DIRKSEN. Mr. Chairman, will the gentleman yield?

Mr. D'ALESSANDRO. I yield to the gentleman from Illinois.

Mr. BONNER. Did the gentleman hear that discussion?

Mr. DIRKSEN. I did not hear the discussion, but I had an idea the question would be raised. May I remind my friend that there are over 33,000 in the administrative service of the Bureau of Internal Revenue, as against only 26,000 on the enforcement end. There is a specific item in the report that the committee will not countenance a reduction in the enforcement personnel. We want them to get out of Washington some of these people in the administrative offices who are falling all over themselves. It is the particular design of the committee to see that the enforcement activity is preserved.

The CHAIRMAN. The time of the gentleman from Maryland has expired.

Mr. D'ALESSANDRO. Mr. Chairman, I yield 2 minutes to the gentleman from North Carolina [Mr. BONNER].

Mr. BONNER. The gentleman from Maryland did not answer the question that I asked. Would the gentleman answer the question, and then would the gentleman from Illinois [Mr. DIRKSEN] comment on it?

Mr. DIRKSEN. I think that was the answer.

Mr. BONNER. Will the reduction you have made in this particular division of the Treasury reflect a loss or gain to the Treasury Department?

Mr. DIRKSEN. If the gentleman will permit me to answer, the answer is simply that while revenue is going down, personnel is going up, and the amount that is achieved by enforcement activities percentage-wise is infinitely smaller than it was in that period from 1929 to 1936 when they had only a fraction of the employees they have in the Bureau of Internal Revenue at the present time.

Mr. BONNER. Do you direct the Internal Revenue to maintain their field staff and curtail their office staffs?

Mr. DIRKSEN. Yes; we could not give them legislative direction in the bill, but we did write the appropriate provision in the report.

Mr. BONNER. Then there will be as much field inspection in the future as there has been in the past?

Mr. DIRKSEN. Yes; and the committee feels that field investigations and enforcement activities ought to be a little more efficient than they are at the present time.

Mr. BONNER. I thank the gentleman and hope as I have been assured that the field force will be maintained and enlarged, for it is here that much revenue is gained for the Treasury.

Mr. CANFIELD. Mr. Chairman, I yield 25 minutes to the gentleman from North Dakota [Mr. ROBERTSON], a member of the committee.

Mr. ROBERTSON. Mr. Chairman, as a new member of the Appropriations Committee, I am tremendously impressed with the remarkable leadership displayed by the chairman of the subcommittee, the Honorable GORDON CANFIELD. For a man comparatively new in the Congress, I am amazed at his grasp of the situation we have at hand today. He has done a most excellent job in piloting the committee through the hearings.

Those of us who are familiar with the work of the Appropriations Committee know it is one that calls for great capabilities in dealing with figures and detail. It calls for long hours of study before each day's hearings, and one must be adequately prepared in checking item by item, especially at a time when the Congress is committed to a reduction in the Federal expenditures.

He has been handsomely supported by our able colleague, the Honorable EVERETT DIRKSEN, who has had many years' experience on the Committee on Appropriations. His contribution, as is always the case, has been exceptional. The other members, some of whom are new—both Democrats and Republicans—have shown every disposition to be present and carry through the long, tedious days, day after day, and I am happy indeed, as we report this bill to the floor of Congress, to also be able to say that it is not a political bill, that it comes to the floor not with a divided report but rather with a unanimous report of both the Democrats and the Republicans. We have dealt with the conditions in this appropriation measure on a nonpolitical basis. This, the first of the appropriation bills on the floor, is the beginning of a new trend of events in our Nation.

It is a vastly easier program to hold hearings on appropriation bills and yield to the demands of the departments for an ever-increasing amount. It calls for greater study of all the items. When the question before us is one of reducing expenditures, it calls for diligence and a quality quite remarkable for the reason that as we cut expenditures we must be careful not to impair the necessary functions of the National Government. I shall touch briefly on a few points, in the time given me today, contained in the Treasury and Post Office Departments' appropriations.

In the Treasury and Post Office Departments there are five agencies engaging in whole or in part in law-enforcement activities. They are, naming them, the Secret Service, the Post Office Inspection Service, the Bureau of Narcotics, the Bureau of Customs, and also the Coast Guard, which was originally founded for this purpose, and it is placed under the Treasury Department because of its enforcement activities.

The Secret Service and the Postal Inspection Service rank with the finest enforcement groups in the world. In our effort in composing this bill the committee has been careful not to impair their work, nor the enforcement work of the other agencies. The Secret Service submitted requests for \$3,465,100 but after a careful study, the committee found, in its wisdom, that this was higher than was necessary, and the amount therefore carried in this bill is \$2,707,500, or \$757,600 less than was requested. It is also \$404,500 less than the Service has for the present fiscal year.

The principal function of the Secret Service, as you all understand, is the suppression of counterfeiting, and the excellent work it has done in this field can be found in the figures and statements appearing on pages 196 and 197, and on pages 222 to 226 of the hearings. It reveals that counterfeiting is much less today than it was 10 years ago due to the scarcity, perchance, of materials that are necessary to make fake coins and bills. There is today \$20,000,000,000 more currency in circulation than there was in 1940 and 600,000,000 pieces of Government securities outstanding compared to less than 15,000,000 in 1940. While the number of securities outstanding would indicate the possibility of an increased number of forgery cases, the efficiency of the Service has been such that the number of cases in 1946 was slightly under the 1940 figures. The criminals are evidently learning that it does not pay to engage in counterfeiting or forgery of Government securities.

Included under the funds for suppression of counterfeiting is the protection of the President and members of his family. It may be that with the return of peacetime routine, certain protective measures can be abandoned, but you will note that in the report, the committee has specified, in reducing this expenditure, that none of the cut was to be applied against the funds used for the protection of the President and his family, unless the Secret Service itself determined that adequate protection could be given with less money. It is felt that the sum allowed for the suppression of counterfeiting and other crimes will be ample and will not, generally speaking, impair the efficiency of the Secret Service if carefully administered.

The White House Police force protects the White House and the grounds. The committee has made a reasonable reduction in this appropriation for this force, and it may be that the cut made will impair the work of the Service. However, this committee appropriated the full amount necessary to provide for a force of the size prescribed by law. There is a statute, the act of April 22, 1940

Third United States Code, page 62, that fixes the size of the White House Police force at 80 men, including officers. In past years the committee has written a provision into the appropriation bill stating that notwithstanding the provisions of this law, the force shall consist of 114 men. The committee is of the opinion that this was legislation in an appropriation bill, and would be subject to a point of order. We believe the proper recourse is for the Secret Service to ask the proper legislative committee to provide for a greater number of men, if it is deemed necessary to have them. The committee has eliminated this legislative phrase, and appropriated funds to pay the salaries of 80 men in accordance with the law.

The uniformed Secret Service also protects Treasury buildings. In the year 1939, \$300,000 was sufficient for this purpose. In the year 1948 the Service asked for \$849,700. It is true that some additional functions have been added in the past 9 years, but at the present time these additional functions are being eliminated. The committee considered the request this year to be excessive, and after great care and study, reduced it \$130,000. All in all we have given the Secret Service for the fiscal year 1948 a sum that is equivalent to its appropriations in the war years. The war has been over almost 2 years and it seems to us of the committee that the Secret Service should be getting back to its peacetime size.

The Post Office's counterpart of Secret Service is the inspection service, and the committee, I feel, has been most generous here. We have granted the inspection service \$125,900 more than it has for the present year, and we have only reduced the estimates \$251,400.

There are four items which make up the appropriations for the inspection service. Two of them, travel expenses for inspectors and payment of rewards, are carried in the same amount as for 1947. This will actually cause some reduction in travel because the committee has eliminated from the bill provision that inspectors shall be paid 3 cents a mile for official travel in their privately owned cars. This will permit payment of 4 cents a mile under Public Law 600 of the Seventy-ninth Congress, and puts the inspectors on a par with other Government workers who have received the higher figure.

The item for salaries for inspectors is \$198,300 higher in this bill than it is in 1947 and this will permit statutory promotions. The committee does not consider it necessary to create any new inspectors' positions and consequently it has not allowed any funds for that purpose.

Some reductions have been made in the appropriation for salaries of clerks at division headquarters. During the war these clerical staffs were built up at an unusually heavy rate. The committee feels that with the emergency now over, postal inspectors should be able to utilize clerks at local post offices on a part-time basis, reducing thereby the clerical work at division headquarters and eliminating some of the war-service personnel.

Enforcement activities of the Bureau of Narcotics received a good deal of notice in the press recently, when the Bureau forced the expulsion of an American ex-convict and deportee. Over a long period of years this Bureau, under Commissioner Harry J. Anslinger, has been doing a quiet but very efficient job. The funds allowed this agency in 1947 were approximately the same as 10 years ago, although this amount for this year has been increased \$130,000 to allow in part for the pay increases voted by the Seventy-ninth Congress.

The testimony of Commissioner Anslinger appears on page 181 of the hearings, and is not only informative, it is very interesting. Narcotics agents comprise only 2 percent of the entire police forces of the country, yet they have provided 10 percent of the population of our Federal prisons. There is an increase in the number of violations of narcotics laws, and this Bureau is maintaining a record of getting convictions in 85 percent of its cases.

Narcotic control is not entirely a Federal problem. There must be a degree of control and enforcement by the States, and as the testimony shows, this is especially true of marihuana and the so-called sleeping powders. You will note on page 191 that Commissioner Anslinger declared:

The control of sleeping powders should not be handled by the Federal Government.

We of the committee are of the opinion that it should remain a State function. Forty-four States do have uniform narcotic control acts, but only New York, Connecticut, Pennsylvania, California, and Florida have enforcement agencies. The Commissioner complimented the States that are doing this job, and indicated that there was full cooperation with the Federal Bureau, which does control importation, manufacture, and distribution.

In support of some reports of extravagances in our military expenditures, the Commissioner told the subcommittee a story. By virtue of his office he is custodian of all drugs and narcotics in possession of the Government, and has narcotics stock-piled in several places in the United States. There are great quantities of drugs in his storehouses. Yet not too long ago the War Department decided that it needed \$15,000,000 worth of opium. Army officials did not consult the Commissioner, but prepared to make these purchases in the open market. Fortunately word of this intended action came to the Commissioner. He was able to tell the Army that he had this much opium in his surplus stocks, and as a result an unnecessary expenditure of \$15,000,000 was eliminated.

We feel it will be of interest to have Dr. Anslinger's answer to this question:

Has there been any increase toward addiction among the veterans?

His answer was:

I am happy to say that right now, from what we know, we can count them on our fingers.

At the time the Bureau of Customs was up for consideration by the committee, the Attorney General made an observa-

tion in which he suggested that some of our law-enforcement agencies could be consolidated, and one of his ideas was to combine the border patrol of the Immigration and Naturalization Service with the border patrol of the Bureau of Customs. The committee feels that such a plan has genuine merit. As the report points out, one man can be given the dual responsibility to patrol against violations of either customs or immigration laws, and there is little justification for having two sets of officers patrolling the same sections of the Canadian and Mexican borders.

This is just one place, and a symbol, if you please, in which entrenchment might be made by Customs. Another is in the Foreign Service, and there was little evidence to show that all of the Customs work abroad could not be handled by the regular diplomatic and Foreign Service agencies of our Government.

We have been mindful of the fact that peace has resulted in the restoration of foreign trade. The wartime development of air transport has increased the Customs problems. The work load of this agency is increasing. But the Customs Bureau came before us and asked for \$10,000,000 more than they have in 1947, and offered no plans for consolidating their work or perfecting their administration, or otherwise directing their efforts toward any safe economies. The committee can see, we believe, where there might be savings. I have here alluded to two of them a few moments ago. We, the committee, therefore consider the estimates of the Bureau excessive, but we did permit \$3,000,000 more than in 1947 to take up the added work load. The tables appearing on pages 793 through 796 bear testimony of this workload increase.

Every Member should read carefully the testimony of the Coast Guard officials, starting on page 570 of the hearings. First, you might refer to a statement by Secretary of the Treasury Snyder, which appears on page 17. This reads, and I quote:

The functions the Coast Guard performs are of a nonmilitary nature.

Parenthetically, that would set at rest any feeling that this reduction in the appropriations for the Coast Guard is a cut in national defense.

The functions the Coast Guard performs are of a nonmilitary nature. Their policing is in connection with the customs operation and not as a military operation particularly.

It does not appear that the Coast Guard has advised the Secretary of its intentions. The estimates submitted to the committee calling for \$133,000,000 would have permitted establishment of a miniature navy. One can only imagine what plans the Coast Guard had in mind when it originally asked the Treasury budget officer for \$232,000,000.

Even if the estimates submitted to the committee were approved, we would have had a small navy with a vast preponderance of high brass. On page 579 it is brought out that there would be one officer for every six enlisted men. I refer to the table on page 587, which shows the percentage of commissioned and warrant

officers to enlisted personnel. For 1947 this was 14.3 percent. You will note that the Coast Guard has this tendency after every war, for in the early 1920's the percentage was about the same, but that during the war it dropped to less than 6 percent.

On the same page Captain Richmond, Chief of the Planning and Control Staff, admits that when they have to reduce personnel in the Coast Guard they let the enlisted men go and keep the admirals. It is not the admirals who man the lifeboats to go to the assistance of ships and lives along our coasts. Captains and commodores do not tend the buoys and other aids to navigation. Flag officers do not man the lighthouses. The past procedure of this service in making personnel reductions must be reversed. Yet this very year the Coast Guard came before the committee and asked permission to make six new admirals next year. Look at the statements on page 627. In the Commandant's headquarters in Washington there are eight officers for every enlisted man.

One more point on this topic: We asked Admiral Farley, the Commandant, why he needed 23 more flag officers in 1948 than there were in 1940. His answer was that the Coast Guard had to keep up with Navy protocol.

I urge you not to miss the tables on pages 593 and 600 of the hearings. Here the Coast Guard has listed the distance from its bases to the nearest Army and Navy bases. One of the arguments advanced for merging the Army and Navy has been to eliminate duplication of facilities in the immediate area. The table of page 600 shows that in many instances the Coast Guard has duplicated Navy base facilities. Twenty Coast Guard bases are listed. Eleven of them are within 10 miles of a Navy base. In Norfolk, Va., a Coast Guard base is adjacent to a Navy base. In Boston, such bases are three-tenths of a mile apart. In Little Creek, Va., they are only one-tenth of a mile apart.

Out in San Diego, Calif., the Coast Guard has built an air base only 2½ miles from a large Navy air base. In San Francisco, Navy and Coast Guard air bases are within 12 miles of each other. Up in Boston, they are 20 miles apart. And you must bear in mind that the Coast Guard has only 110 operational planes.

The chairman of the subcommittee has touched on the deep-sea operations of the Coast Guard. Added altogether we have a sordid story of bureaucratic expansion at its worst. The cut the committee has made is in my personal judgment completely justified beyond question.

In conclusion, I should like to say to the Members of this Congress that the Appropriations Committee is confronted with a difficult task. We must find the common ground in our endeavors where the taxpayers who support the Government and the spenders recognize the responsibilities of each other. In my personal judgment the taxpayers have 51 percent of the stock in this American corporation.

Mrs. BOLTON. Mr. Chairman, will the gentleman yield?

Mr. ROBERTSON. I yield to the gentlewoman from Ohio.

Mrs. BOLTON. In the matter of the Coast Guard, have you made so much cut in that that our own coast will lose some of the already restricted service of that agency?

Mr. ROBERTSON. I am of the opinion that we have not. I am of the opinion that the Coast Guard has been amply provided for in our appropriation.

Mrs. BOLTON. On Lake Erie, near which I live, we are very definitely short of personnel. We have had some very disastrous happenings because the Coast Guard could not be reached, and there were not two boats to go.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. ROBERTSON. I yield to the gentleman from New Jersey.

Mr. CANFIELD. Is it not true that we are bringing the Coast Guard back home to do the things for which the Coast Guard was created, and, therefore, it can do the things that the gentlewoman has in mind and do it properly and efficiently. Sufficient money for this purpose is incorporated in the bill.

Mr. ROBERTSON. I thank the chairman. I was going to answer the gentleman and say that her difficulty had probably arisen because the Coast Guard was part of the Navy and probably away from her section of the country when it was needed.

Mrs. BOLTON. Mr. Chairman, if the gentleman will yield further, does the Coast Guard have anything to do with the Narcotics Division?

Mr. ROBERTSON. No.

Mrs. BOLTON. Do they make any contribution to the apprehension of these violators?

Mr. DIRKSEN. Mr. Chairman, if the gentleman will yield, it would only be in case the Narcotics Division would call on them that they would have that function, but as such they do not pursue it.

Mr. D'ALESSANDRO. Mr. Chairman, I yield 20 minutes to the gentleman from Virginia [Mr. GARY].

Mr. GARY. Mr. Chairman, may I at the beginning pay my tribute to the chairman of our subcommittee, the gentleman from New Jersey, Mr. GORDON CANFIELD. Serving for the first time as the chairman of the committee, in my judgment he has done a magnificent job. He showed a thorough acquaintance with the various items of appropriation, which evidenced a deep study of the bill before us. I know that he worked for many hours in order that he might be prepared to examine the various witnesses as they appeared before the committee. He exhibited a quick understanding of the problems which were presented, and throughout the entire hearings he was eminently fair to the minority as well as the majority members.

May I also pay my tribute to the executive secretary of the committee, Mr. Jack McFall, who served with the committee when we were considering the appropriations for the Treasury Department. He is a clerk of long standing in this House. His knowledge and experience were invaluable to the committee. It

was a matter of deepest regret to each one of us that he was forced to relinquish his labors after the Treasury hearings had been concluded to accept a position with the State Department, where he will serve in the Foreign Service. Our committee's loss, however, was the State Department's gain. Notwithstanding the fact that he had relinquished his duties with the committee, he collaborated in drafting that portion of its report relating to the Treasury Department.

Mr. McFall was succeeded as executive secretary of the committee by Mr. Claude Hobbs, a newcomer, who shows every evidence of possessing the necessary ability to qualify him as a valuable addition to the staff of the Committee on Appropriations.

While it may be somewhat unusual, I like to give recognition where recognition is due. Mr. Palmer Murphy, who is Mr. CANFIELD's personal secretary, also rendered invaluable service to the committee. I do not believe we would have passed the transition period from one executive secretary to another so smoothly if Mr. Murphy had not been following the proceedings of the committee so closely that he was able to assist the new secretary in his work.

The members of the committee have all labored diligently and well. The ranking minority member the gentleman from Maryland [Mr. D'ALESSANDRO], displayed a high caliber of leadership.

May I say Mr. Chairman, with all candor that I do not think the committee as a whole has done such a bad job on this bill. Personally, I am committed to a program of reduction in public expenditures. Last fall when I ran for reelection, one of my campaign pledges was that I would do everything I could to reduce public expenditures to an absolute minimum compatible with efficient governmental service. I hope we have done that in this bill.

This is a difficult bill. In the first place, we are dealing with the Treasury Department. The estimates submitted in the President's budget for the Treasury Department were \$11,740,000,000. Of that amount, however, \$9,186,000,000 was for permanent appropriations which are beyond the control of the committee. These permanent appropriations are made up of such items as interest on the public debt of \$5,000,000,000. The committee could not change that item regardless of the wishes of its members. We have borrowed the money from various sources, and we must not only pay back the principal in time but we must keep up the current interest payment annually. Another item of permanent appropriations is the \$3,500,000,000 expenditure from trust funds, such as the social-security fund, which the committee could not touch.

In addition, there are certain indefinite appropriations, which total over \$2,000,000,000. They cover such items as tax and custom refunds. In a measure, these items also are beyond the reach of the committee. However, the committee decided on the basis of the evidence before it that these appropriations had been overestimated and it reduced the

estimates of the indefinite appropriations by \$802,000,000. I want to be perfectly frank to the Members of this House. I do not think this reduction saved the American taxpayers one single penny. Because these refunds represent overpayments in taxes and customs which must be returned to the taxpayer regardless of the appropriation contained in the bill. If the estimates of the committee are correct there will be \$803,000,000 less paid out than was contemplated by the President's budget, but there will be no saving, because if we appropriated \$2,049,000,000 as requested, and the refunds amount to only \$1,246,000,000, the balance would remain unexpended. What the committee has done is to make a reestimate of the items based upon the evidence before the committee.

When you deduct the permanent appropriations and the indefinite appropriations you have left the operating expenses of the Treasury Department which constitute a relatively small portion of the total. Here again you are faced with a grave dilemma, because we know that people of this country want Federal expenditures reduced as much as is possible. Yet, the Treasury Department is the revenue-raising department, and if you reduce expenditures too drastically you will curtail the activities and efficiency of the Department to the point that revenues will be reduced also. In other words, there is always the danger that you will kill the goose that lays the golden egg. What we tried to do in this bill, therefore, was to strike an even balance between expenditures and needs of the Department.

We made a very substantial cut in the Bureau of Internal Revenue. The reduction, however, is not quite as large as it was at one time during our deliberations. I became somewhat apprehensive that perhaps we had gone too far and might impair the efficiency of the bureau. At my suggestion the committee went back and reconsidered the appropriation, and added some additional funds to it. I hope and believe that our final figure is fair and reasonable.

I was somewhat apprehensive about the Coast Guard, in whose appropriation we made a substantial cut. However, there is but one way to reduce expenditures and that is to reduce them. The facts are that the Coast Guard has expanded tremendously during the war. The committee felt that the time has come when we should begin to retract and to eliminate some of the war activities.

With reference to the Post Office Department, this is one of the oldest departments of the Government. It is conducting one of the largest businesses in the United States. This business consists of rendering to the people of this Nation a service which must be maintained at a very high degree of efficiency. I believe I can say that every member of this subcommittee was impressed with the efficiency of the Department. We did not find a single bureau in which there appeared to be any extravagance or waste, and yet we felt that certainly there could be a

token cut in the Department, which is all that has been made.

We have reduced the estimated expenditures of the Post Office Department less than 1 percent. The budget estimates for the Department were \$1,545,000,000. We reduced them only \$14,356,000.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield.

Mr. DINGELL. That is the total amount of savings in the Post Office Department.

Mr. GARY. To be exact, the budget estimate for 1948—and these figures may be found on page 41 of the report—were \$1,545,089,250. The committee recommends \$1,530,733,250, a reduction of \$14,356,000.

Mr. DINGELL. That is very far from what we expected in the matter of savings. I had understood they were going to take 500,000 employees away from the Post Office Department out of the 541,000 total they had. Did not we hear that at one time?

Mr. GARY. May I say to the gentleman from Michigan that so far as I personally am concerned I am not half so much interested in the legislative budget or in the remarks that are made with reference to it as I am in the appropriation bills that come before this House. I prefer to base appropriations upon committee investigations rather than legislative guessing. What our committee has done is to examine this bill with the idea of reducing it as much as we possibly could without impairing the Government service and without reference to the legislative budget or any remarks that have been made with reference to it.

Mr. DINGELL. The gentleman misunderstands my remarks in this instance.

Mr. GARY. I understand the gentleman.

Mr. DINGELL. I say the sum total of the savings will be about \$14,000,000.

Mr. GARY. In the Post Office Department, it will be \$14,356,000.

Mr. DINGELL. From what I had heard heretofore we were going to dismiss about 500,000 of the 540,000 employees of the Post Office.

Mr. GARY. We did not do that; we did not think it could be done. Moreover our savings insofar as the Treasury Department is concerned, the actual savings are approximately \$80,000,000. So in the combined Treasury-Post Office bills we have saved approximately \$95,000,000.

Mr. DINGELL. In other words, this saving is not going to amount to much as far as the individual taxpayer is concerned, any more than the cut in the budget estimate covering tax refunds. Is not that so? In other words, it is not going to mean very much.

Mr. GARY. The cut in the budget estimates concerning refunds is \$800,000,000. We have only saved \$95,000,000.

Mr. DINGELL. That is just a paper saving?

Mr. GARY. I did not say it was a saving. I said the cut in the estimate was \$800,000,000. I have insisted from the beginning there is no saving.

Mr. DINGELL. That is right. Then the gentleman's mind and mine agree.

Mr. GARY. That is right.

Mr. DINGELL. We are striking at a figure in the budget estimate covering refunds, but it does not mean any savings.

Mr. GARY. There was no figure in the budget, but there were estimates as to what the refunds would be. We wrote a figure into the bill. We did make it a definite rather than an indefinite appropriation.

Mr. DINGELL. It will have to be whatever the amount is, will it not?

Mr. GARY. If our estimates are below the actual refunds that are required, it will have to be taken care of through deficiency appropriations.

Mr. DINGELL. That is right.

Mr. DIRKSEN. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from Illinois.

Mr. DIRKSEN. I do not want the RECORD to show that the committee agrees there will be no money saved here because I think I can show and propose to show after awhile in my own time as to where this saving actually is.

Mr. DINGELL. In the figures covering refunds?

Mr. DIRKSEN. Very definitely in the refunds.

Mr. DINGELL. Then it means that Uncle Sam is collecting something he is not entitled to?

Mr. DIRKSEN. No, indeed. Uncle Sam has not collected anything he is not entitled to. Somebody has overstated the case in the budget and let it be reflected in the fiscal year 1948, perhaps for the purpose of not having to show an equivalent amount or anything like it in the budget for 1949. However, I will discuss that in my own time.

Mr. DINGELL. Very well.

Mr. GARY. I made the statement previously that there was evidence before the committee that the entire amount requested would not be necessary. However, I do not regard any change in that figure as an actual saving of expenditures.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. GARY. Mr. Chairman, I yield myself 10 additional minutes.

Mr. GORE. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from Tennessee.

Mr. GORE. I would like to bring the gentleman back, with his permission, to the reduction in the Post Office Department. As I understand the report and the gentleman's statement, the bill contains appropriations which are \$14,356,000 less than the budget estimate.

Mr. GARY. That is correct.

Mr. GORE. The gentleman knows that the same subcommittee on which he now serves last year reported a bill \$19,000,000 under the budget estimate.

Mr. GARY. I was not a member of the committee last year, and am not familiar with the amounts reported then.

Mr. DIRKSEN. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from Illinois.

Mr. DIRKSEN. There came to the Appropriations Committee just a day or two ago a deficiency estimate for \$8,000,000 for the current fiscal year 1947. So when you contemplate that, then match it against the cut in 1947 and the proposed cut in 1948 I think it is pretty apparent this subcommittee has done a very good job.

Mr. GORE. Mr. Chairman, will the gentleman yield further?

Mr. GARY. I yield to the gentleman from Tennessee.

Mr. GORE. The gentleman from Illinois speaks of proposed cuts and proposals. I am speaking of what this subcommittee did last year and this year. This year you bring in a bill which is \$14,000,000 under the budget estimate. Last year the same committee brought in the same bill or a bill on the same subject \$19,000,000 under the budget estimate.

Mr. GARY. May I say that this committee worked on the bill before it. It did not consider last year's bill. I think it has done a very good job with the \$14,000,000 reduction.

Mr. GORE. I was not undertaking to criticize the gentleman's committee. I think he did a conscientious job on the Post Office Department bill, but when you go into it you find that all of the proposals that had been made heretofore could not be lived up to and still give to the people rural mail service, city delivery, air mail service and rail transportation of the mail.

Mr. DIRKSEN. Mr. Chairman, if the gentleman will yield further, the subcommittee could have whacked out \$100,000,000, but this subcommittee does not propose to do what has been done in previous Congresses, and that is to legislate by deficiencies. We mean to make it stick and to make it a real worth while estimate.

Mr. DINGELL. Nineteen hundred and forty-eight has not come around yet, so there is no deficiency.

Mr. DIRKSEN. Exactly. But we are anticipating 1948, and in the hearing it was very conclusively shown—

Mr. DINGELL. The gentleman from Illinois knows that you do not act on deficiencies as a justification for this.

Mr. DIRKSEN. Please let me continue. The Post Office officials said this is the best hearing that they have had on Capitol Hill in 20 years, as an indication of the care with which this committee approached its responsibilities, and it wants to make sure that it does not come back here for millions and millions of dollars at some time in the future.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from Mississippi.

Mr. RANKIN. The question that disturbs me is—and I am getting a good many protests—that they are attempting to balance the budget, we might say, on the farmers who are being denied rural electrification. Now, we could go to those farmhouses when the draft was on to get the boys to fight this war, and I am opposed to cutting one dollar off

what is necessary to extend rural electrification to the farmhouses of this Nation.

Mr. ZIMMERMAN. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from Missouri.

Mr. ZIMMERMAN. I have received quite a number of letters recently about growing towns down in my section of the State that want rural delivery such as cities have been enjoying for many years. They come back and say, "We do not have the money to give the people this service." In my district the Post Office Department wants to make some of our temporary carriers permanent. But they say, "We do not have the money." Now, I want to know what you have done in this appropriation with reference to giving enough money to give the people back home the service that those people are entitled to; that is what I want to know.

Mr. GARY. We have given the Post Office Department nearly everything they have asked for. We have cut their appropriation less than 1 percent.

Mr. ZIMMERMAN. Does the gentleman have a break-down to give some of the figures?

Mr. GARY. Yes.

Mr. ZIMMERMAN. What are you doing for rural delivery? I would like to know that because I am going to write these people where the trouble is and why they are not getting the service.

Mr. GARY. As to the rural delivery service, the budget estimate for 1948 was \$129,367,000. We recommend in this bill \$129,167,000, which is a cut of only \$200,000.

Mr. ZIMMERMAN. Now, just a moment. You had evidence before your committee, if you tried to get the facts, that they did not have enough money to give the type of service that was needed throughout the country, because they have not had the money, and that is why we are not getting it. Now, I have concrete cases; I know what I am talking about.

Mr. GARY. All I can do is to speak from the record.

Mr. ZIMMERMAN. Why did you cut them?

Mr. GARY. Let me answer the gentleman's question, please, sir. The budget estimate for rural-delivery service was \$2,759,000 less than appropriations for 1947. The 1947 appropriation and estimated deficiencies were \$132,126,000. The Post Office Department only asked for \$129,367,000 for 1948, and we gave them all of it except \$200,000, and I dare say that is the smallest percentage cut that will be made in any item probably during this entire session.

Mr. ZIMMERMAN. What did you do for city delivery? My towns have grown down there 100 percent in some instances. They are entitled to it.

Mr. GARY. They asked for \$295,638,000 and we gave them \$295,300,000, thereby cutting the budget estimate \$338,000.

Mr. ZIMMERMAN. Here is the point I want to get over: Rural delivery is growing, because when you build roads you make it possible for people to use them and they are entitled to that serv-

ice under the established policy of this Government, and that same thing is true with your cities, where they grow; they are entitled to this service. They are entitled to it because other cities have been having it for many years.

The point is, if there is not enough money to expand that service I want to see that the people know where that cut comes from. A cut along that line is not justified unless there is strong evidence to support it. You have plenty of money to carry out that program. The people are entitled to that service.

Mr. GARY. May I say to the gentleman that there has been practically no cut at all. I stated in my opening remarks that this committee is fully cognizant of the fact that the Post Office Department is rendering a service which must be maintained at the very highest peak of efficiency, and we governed ourselves accordingly. That is the reason the cut in the Post Office appropriations has been only \$14,356,000.

Mr. ZIMMERMAN. What did the budget call for on these items?

Mr. GARY. In one case the budget estimate called for \$129,367,000, and we cut that item only \$200,000.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. D'ALESSANDRO. Mr. Chairman, I yield five additional minutes to the gentleman from Virginia.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from New Jersey.

Mr. CANFIELD. For the benefit of the gentleman from Missouri, let me read the last three lines of this paragraph, on page 38:

Necessary expenses of the rural delivery service, \$129,167,000, of which not less than \$200,000 shall be available for extensions and new service.

That is written in the bill.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from Mississippi.

Mr. RANKIN. The trouble is that the Bureau of the Budget undertakes to cut down on the funds necessary for the extension of rural free delivery. I am not in favor of the budget legislating for me, as far as I am concerned. I have always taken that attitude. I am getting letters from the Post Office Department saying that these extensions of rural routes have been provided and allowed; they have been approved, but we cannot get money to make the extensions. While we are taking care of everybody else under the shining sun, it seems to me that regardless of the attitude of the Bureau of the Budget we could provide funds to extend rural letter service to those homes that we visited with the draft to get men to fight this war. I do not care what the Bureau of the Budget says about it; I am in favor of providing the funds to extend rural electrification and rural free delivery both to every farmhouse in America.

Mr. GARY. I think this committee has done just that. If we have erred it has been an error of the head and not of the heart, because I personally do not

yield to the gentleman from Mississippi or to any other Member of the House in my desire to furnish the people of this country the proper rural mail delivery.

Mr. RANKIN. I will say to the gentleman I was not criticizing the gentleman from Virginia.

Mr. GARY. I understood that.

I think it is fair to say, Mr. Chairman, that under the recommendations in this bill it is estimated there will be during the next fiscal year a deficit of \$335,000,000 in the Post Office Department. We hear a lot of talk of subsidies. That deficit of \$335,000,000 means that the Government is subsidizing certain users of the mail approximately \$235,000,000, as it is estimated that it costs about \$100,000,000 to carry the Government's free mail.

The House attempted to remedy that situation last year. Before I was appointed to the Committee on Appropriations I had the privilege of serving as a member of the Post Office Committee. I sat on that committee when we reviewed a study that had been made by experts brought into the Post Office Department to determine what changes should be made in the rates of the mail service to put the department on a self-sustaining basis. After lengthy hearings, the committee reported out a bill to increase the rates on catalogs. It passed the House by a very large majority. We then reported out a bill to increase parcel-post rates. That bill also passed the House by a very large majority. We then held hearings on the rates on books, but since the two bills we had passed were resting quietly in the committee of the other body and no action was being taken, further hearings were suspended and no other bills were reported out.

Another study has been made and the Post Office Department has submitted certain recommendations to the Congress with reference to rates. If we are really serious in wanting to put the Post Office Department on a self-sustaining basis, we will have an opportunity to do so later in the session when bills providing for increased rates will be presented to the House. I think we should give those matters very serious consideration because there is at the present time only one classification of mail that is paying its way, and that is the first-class mail, which is more than paying its way. What we should do is to raise the rates on the classifications which are being subsidized at the present time, and thus put the Post Office Department on a self-sustaining basis.

Mr. CANFIELD. Mr. Chairman, I yield 1 minute to the gentleman from Oklahoma [Mr. RIZLEY].

Mr. RIZLEY. Mr. Chairman, for weeks and months last year the Federal Power Commission held hearings throughout the country in respect to natural gas and the natural-gas industry. Their report to the Congress as a result of these hearings is long overdue.

Friday of last week, however, several days after I had introduced H. R. 2185, which would spell out their authority under the Natural Gas Act, and after similar bills were introduced by Repre-

sentatives CARSON, of Ohio, and DAVIS, of Tennessee, and by Senators MOORE, of Oklahoma, and FERGUSON, of Michigan, they issued what purports to be a staff report accompanied by press releases, which in part agrees with one of the main purposes and objectives of my bill.

The report and the press releases disclaim authority of the FPC over the production and gathering of natural gas. Such disclaimer would not now be necessary had the Commission followed the clear intent of Congress as expressed in the Natural Gas Act. Production and gathering of gas in the field of its origin have always been recognized by the Congress as matters to be regulated by the several States. Production and gathering are inseparable from conservation of oil and gas, and conservation has always been held to be a prerogative of the State.

If the logic and reasoning in the so-called staff report is sound, then certainly the need for one of the main provisions contained in the legislation which the other Members of Congress and I have offered is obvious; namely, the provision specifically excluding from FPC jurisdiction the production and gathering activities and sales of natural gas.

The staff report admits that Congress never intended that the FPC have jurisdiction over these activities, but the same report likewise reveals that the Commission has in the past reached out and taken jurisdiction in questionable cases. The report goes on to say that the situation could be clarified better by administrative action of the FPC than by legislative action by the Congress.

If the FPC is to be given this power and authority without congressional direction, just how far would it go in excluding production and gathering from its jurisdiction, since it says that definite standards cannot be specified in advance of a study of the facts in each individual case? Would any responsible individual, be he producer or gatherer, be satisfied with any such proposal? Those who sell their gas to the interstate pipe lines would have no way of knowing whether or when FPC would attempt to take jurisdiction over them.

A reading of this FPC document certainly confirms the fact that Congress must specifically define the area in which the FPC may operate. My bill clearly states those limits and would by congressional mandate let the FPC and likewise the affected producers know exactly where they stand.

Assuming that the present members of the FPC understand this matter thoroughly and will seek to carry out and construe the act as Congress originally intended that they should, who can say with any certainty how long the present members of the Commission will continue to serve? Another set of Commissioners might reverse the administrative policy to which the present members subscribe and have agreed. That very thing has happened before; it might happen again.

If the present members of the Commission are agreed, as the report would seem to indicate, that the FPC under the clear intent of the Natural Gas Act is not authorized to take jurisdiction over

production and gathering, then they should have no objection whatever to having the act amended so that it will be plain and unequivocal.

It occurs to me, however, that the FPC like numerous other agencies and bureaus which have been for many years interpreting the laws enacted by the Congress in such a way as to give them the broadest possible power without restraint, merely wants to head off legislative action that would curb its power.

When the Interstate case was in the fifth circuit court, the FPC had ample opportunity to acknowledge its limitations with respect to production and gathering. It turned a cold shoulder to this opportunity.

There is only one conclusion that can be reached, and that is that the FPC wanted this broad authority so that it could be in a position to take under its jurisdiction any oil or gas operator whom it wanted to. Thus far the FPC has been quite successful in having its position upheld by the courts. Hence, I raise this question: Since the law under the Interstate ruling authorizes FPC jurisdiction over the operator of every well from which gas is destined for interstate commerce, why does it not enforce the law?

The Commission is now in this position: It must either enforce the law, bring all of the operators in under its jurisdiction, or it would certainly be guilty of ignoring the law. Should it try to enforce the law as now determined by the Interstate case, certainly the Commission will be in trouble with Congress. If it ignores the law, and just selects out certain particular operators it wants to bring under its jurisdiction and lets the others go, then it is guilty of discrimination.

There is only one proper answer to all of this confusion, and that is to let the Congress write into law the standards and make sure the FPC carries out the congressional mandate. That is the sole purpose that those of us who have introduced the amendments to the Natural Gas Act have in mind. The offered amendments will do just that. Confusion and uncertainty among oil and gas producers, land owners with producing gas wells on their lands, owners of royalty interests, State officials, consumers, and the gas companies, have been created by the FPC. It now asks to be trusted to cure its own mistakes and deviations from the law. Theirs is the old familiar plea of administrative agencies for all-out authority. This leads to Government by men, instead of Government by law. That is why Congress should act quickly and spell out in no uncertain terms just what authority it intends that the Commission shall have in relation to the natural-gas industry.

Mr. CANFIELD. Mr. Chairman, I yield 19 minutes to the gentleman from Ohio [Mr. GRIFFITHS] a member of the committee.

Mr. CASE of South Dakota. Mr. Chairman, before the gentleman proceeds with his address, will he yield to me for the purpose of directing an inquiry either to him or to some other member of the subcommittee?

Mr. GRIFFITHS. I yield.

Mr. CASE of South Dakota. Is there any restriction provided in the bill upon the use of funds from the Treasury for the procurement of silver? The gentleman from Illinois in years gone by has given a good deal of attention to the matter of silver purchases. I wonder if there is a silver-purchase fight in the offing on this bill.

Mr. DIRKSEN. No.

Mr. CASE of South Dakota. There is nothing in this bill?

Mr. CANFIELD. There is nothing in this bill with reference to that at all.

Mr. CASE of South Dakota. I thank the gentleman.

Mr. GRIFFITHS. As a new member of this committee who has been sitting here for the last 4 years, I have noticed that every time one of these committees came with a bill they started handing out orchids to the chairman and other members of the committee; and it made me a little shaky. It rather got under my skin. But I have had an education. I really want to add my word to this hardworking committee and our chairman, to the Members on the minority side, the gentleman from Maryland [Mr. D'ALESSANDRO] the gentleman from Virginia [Mr. GARY] and the gentleman from Kentucky [Mr. BATES]. If you worked mornings and afternoons and nights trying to keep up with them, then you will see that you have a job. There is not much on this bill that I am going to speak about.

Previous speakers have alluded to the wealth of material appearing in the printed hearings on this bill, and I would like to emphasize that they are well worth reading. They contain some great lessons in the functions and operations of our Government. Certain testimony will certainly impress the reader with the efficiency of parts of the Government. Unfortunately, a few places show waste, extravagance, and maladministration. One of these is the Coast Guard, and some of their sorry examples have been recounted by the previous speakers.

I would like to add a little to that picture. As we all know, the Coast Guard becomes a part of the Navy in time of war, and it was only a little more than a year ago that this agency returned to the Treasury Department after its naval service in World War II—a service, let it be said, that was highly creditable and a contributing factor to victory. On page 661 of the hearings you will find a high ranking officer of the Coast Guard, Captain Richmond, referring to it as “an auxiliary of the Navy.” On the same page, shortly before, he had said in answer to a question by the chairman, “not being too familiar with what the Navy is doing now, I cannot answer that directly.” Captain Richmond is Chief of the Planning and Control Staff of the Coast Guard, which he calls an auxiliary of the Navy, yet he is not familiar with what the Navy is doing.

The Coast Guard is maintaining three training stations, including the Coast Guard Academy at New London, Conn. At the Academy there are 345 cadets and a staff of 51. The training schools are located at Mayport, Fla., and Groton, Conn. At the present time there are 800 men at these schools, but Captain

Richmond testified that the normal enrollment would be about 400. On page 659 you will find a discussion of these schools, but you will find no cogent reason why one of these schools could not be closed down. It may be true that one school is for boot training, and one is for petty officers. Is there any reason why both groups could not be trained in the same location, under one administrative set up? No such reason could be given by the Coast Guard. Certainly 800 men could be stationed at one base without overcrowding, and without lessening the amount and value of the training received.

I asked Captain Richmond what happens to these men when they finish this boot training. He stated that they come out as apprentice seamen or seamen second class, or firemen second class, and then are sent to sea or to some shore facility. There they would be advanced, and the better ones might become petty officers, through taking correspondence courses. He does not have to attend the school for petty officers at Groton. While talking of petty officers, it might be said that the Coast Guard today has 19,500 enlisted men. Twelve thousand of these are petty officers—more than one half of the total enlisted strength. Fifteen percent of the people in the Coast Guard are officers. Sixty percent of the enlisted personnel are petty officers. Surely there should be no lack of supervision for the 25 percent that are the seamen.

Getting further into the training program, I could not help but wonder why we should have two sets of schools turning out seamen: the Navy and the Coast Guard. These men man ships that are not too dissimilar. Coast Guard cutters are very much like Navy destroyers. In the war they did the same work. Coast Guard men and Navy men both manned our amphibious craft. Coast Guard men sailed many of our transports. Unification of our armed services is a much-talked-of subject these days. Duplication of effort between the Army and Navy is to be eliminated. Why not eliminate the duplicate training programs of the Navy and the Coast Guard? Why cannot all our seamen be trained in the same boot camps? Summed up into one word, Captain Richmond's answer was "jealousy." The Coast Guard is afraid the Navy would take the best men, and the Navy is afraid the Coast Guard would take the best men. The Coast Guard today does not send many men to Navy trade schools because when they do, the Navy wants them to furnish some of the instructors. This the Coast Guard will not do. So they set up their own school. It could even be in the same building as the Navy school, although it would be more in keeping with the Coast Guard administrative practices for them to buy the building next door to set up an identical school.

Mr. BONNER. Mr. Chairman, will the gentleman yield?

Mr. GRIFFITHS. I yield.

Mr. BONNER. The gentleman will recall that at the beginning of the war the Coast Guard had the job of training merchant seamen for the Maritime Commission.

Mr. GRIFFITHS. Yes.

Mr. BONNER. Now there is a distinct and separate training branch for merchant seamen. They could very well be taken care of by the Coast Guard under this training program in my estimation.

Mr. GRIFFITHS. That is correct.

Mr. BONNER. I wonder what the gentleman from Ohio and the Appropriations Committee will do when this additional fund is asked for an identical training program.

Mr. GRIFFITHS. Does the training of the merchant marine come under the Coast Guard?

Mr. BONNER. The request will be for a separate and distinct training program similar to the Coast Guard training program.

Mr. GRIFFITHS. I cannot see any reason why this whole thing should not be consolidated.

Mr. BONNER. I agree with the gentleman.

Mr. GRIFFITHS. I come now to the Post Office Department. The committee received another example of maladministration, and that in the Post Office Department's office of the Solicitor, which the chairman mentioned. In this instance, however, it is good to know that the error has been corrected, and that Mr. F. J. Delany, the new Solicitor intends to see that the duties of his office are carried out fully and carefully. One of the most important of these duties is representing the Post Office Department in mail-rate cases. The Post Office does not bargain directly with the carriers—the railroads and the air lines—as to rates for carrying mail. Such rates are fixed by the Interstate Commerce Commission for railroads, and the Civil Aeronautics Board for the air lines. There has been no change in railway mail rates since 1928, but just 2 weeks ago the railroads filed their first application for a change since that time, and they are now asking an increase of 45 percent. This would require about \$55,000,000 a year more. The Post Office Department will be represented, and will take an active part, in the hearings which the Commission will hold on these applications. The rate that is fixed by the Commission after such hearings will be retroactive to the date the application was filed, which was last February 14. Mr. J. D. Hardy, Deputy Assistant Second Postmaster General, made the following statement to the committee, appearing on page 143 of the hearings:

We are really at the mercy of the Interstate Commerce Commission, because whatever rate they fix, we must pay. I think we can properly anticipate a rather substantial increase.

This bill carries \$145,000,000 for railway-mail and mail-messenger service. A little more than \$112,000,000 of this will go to the railroads. This money will go to 250 railroad companies, and covers payments on 512 railroad routes. These railroad-mail payments are discussed on pages 194 through 200.

The Post Office Department might also be said to be at the mercy of the Civil Aeronautics Board on air-mail rates. At present, air-mail routes cover approximately 77,000 miles, covering 82

routes, serviced by 20 carriers. Charts appearing on page 234 of the hearings will show air-mail postage revenues, payments to carriers, and total air-mail expenditures. In the past 10 years, revenues have exceeded payments to carriers in 7 years, including the period 1941-46. Air-mail revenues have exceeded total air-mail expenditures for the last 3 years for which figures are available. Last year, the appropriation for domestic air mail—this entire discussion is on domestic air mail, for foreign air mail is carried in another appropriation—was \$49,000,000, but the volume of mail fell far below expectations, and the expenditures amounted to only about \$33,700,000. This bill carries an appropriation for the item of \$37,000,000, which will permit an increase in volume, and such can be expected because the reduction in air-mail rates from 8 to 5 cents is increasing the volume.

The payments to air-mail carriers do constitute a subsidy. The Civil Aeronautics Act of 1938 provides that the Board shall consider the need of the carrier for mail compensation sufficient to enable the carrier to perform the postal service, and sufficient, together with the other revenue of the carrier, to enable the carrier to carry out or effect the transportation objectives in the way they are supposed to be carried out. That is, to maintain and continue the development of air transportation in the interest of commerce, the national defense, and the postal service. It is therefore indicated that the act contemplates that if the carrier is certificated, which would mean that the CAB has found it in the public interest for any of those three objectives, post-office funds will be paid out for mail service which will more than support just the mail part of it.

In other words, the post office, through this appropriation, is subsidizing the air lines. It is not within the province of the the Appropriations Committee to change this, and while we are appropriating funds to carry the mail, we must also meet the rates charged by the CAB to subsidize the air lines. Testimony on this subject was obtained by an officer of the Civil Aeronautics Board, called before our subcommittee so that we might have the complete picture, and is found on page 209 of the hearings. Illuminating testimony on what may we expect in this field in the near future appears on page 147 of the hearings, and there you will note that when air lines run into financial difficulties, they look to the postal service to extricate them. Air lines are running into such difficulties today, and the post office may have to foot the bills.

We hope that the Solicitor, by actively representing the post office in rate and certification cases, can effect some savings. It is much to be regretted that such representation was not carried out in past years.

I have cited two examples of poor administration, and before I conclude, I feel that I should point out one case where a department itself was able to recommend a reduction of more than \$1,500,000. The Third Assistant Post-

master General, Mr. J. J. Lawler, believes that he can operate his office on that much less money in 1948. It is rare that a Government official comes before a congressional committee and says, "I spent almost \$13,000,000 last year, but next year I think I can get along on a little more than \$11,000,000." If more Government officials followed the example of Mr. Lawler, the work of the Appropriations Committee would be much more pleasant, and good government would be better served.

The Third Assistant Postmaster General is the fiscal officer of the Post Office. Under his jurisdiction comes the vast Postal Savings System, which has over \$3,000,000,000 on deposit, most of it invested in Treasury bonds. There is no appropriation in this bill for this system, except indirectly in that some clerical work is required in the administrative offices. The Postal Savings System is a bank and pays its own way. Its profits in 1945 were about \$14,000,000.

The Third Assistant is also charged with the manufacture and distribution of stamps and stamped paper, and \$7,400,000 of the \$10,300,000 appropriated in this bill for his office goes for this purpose. About 18,000,000,000 stamps, 2,500,000,000 stamped post cards, and 2,100,000,000 stamped envelopes will be issued in 1948. For those who are interested in stamp collecting, I would suggest reading pages 255-259 of the hearings. The expense to the Post Office Department of running the Philatelic Agency in the Post Office in 1948 will be about \$217,000, and the receipts are expected to exceed \$3,000,000.

This Bureau of the Post Office Department also must pay out money on money orders more than one year old, for which \$600,000 is carried in this bill. This is another item where Mr. Lawler suggested a savings, even going so far as to tell the committee that the decline in redemptions had been so great since the original estimates were prepared that a sizeable reduction could be made in the estimates. Money orders were used as currency and savings during the war, particularly by troops abroad, and the decline in this activity permits the contemplated savings.

The other item completing the Third Assistant's appropriations is indemnities for loss of registered mails, and this will call for \$2,300,000 in fiscal 1948.

I may say that with the possible exception of two witnesses we had before us, every single, solitary man wanted to do the very best job he could whether in the Treasury Department or in the Post Office Department. I believe Mr. Hannegan would rather go down in memory as the greatest Postmaster General than as the greatest chairman of a political party.

But, you know, somehow or other you cannot get quite to the root of it, and if this Congress could work out some scheme to lay before those bureaus and say that within 6 months from now they must come up here with specific recommendations, and then make them follow that policy, then I think we will have a better chance of balancing the budget.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. GRIFFITHS. I yield to the gentleman from California.

Mr. HINSHAW. The gentleman quoted the RECORD on page 147, to show that the postal revenues for airmail were \$81,237,389, and that the expenses were \$49,937,041, showing excess revenues over expenses of \$31,300,000. Does the gentleman call that \$31,300,000 excess of revenues over expenses a subsidy?

Mr. GRIFFITHS. I call it that in this way: According to the law, if you get a certificate to run an airline, we will say, between points A and B, and you lose money, you can go to the Post Office Department, and they will pay your deficit.

Mr. HINSHAW. I was asking about this \$31,300,000. Some people seem to have the idea that that is a subsidy to the airlines. Actually it is a profit to the Government, is it not, over what they pay the airlines, for the carrying of the mail?

Mr. GRIFFITHS. What they receive over what they pay may be a profit, but in certain cases they have had to go beyond and pay for more than they carried.

Mr. HINSHAW. The Committee on Interstate and Foreign Commerce, of which I am a member, voted out a bill from the committee a couple or three years ago, that did not reach the floor, which indicated quite clearly that in the interest of national defense it was advisable to operate certain routes not at a profit, and I am speaking now of mail profit. Those routes were operated with a very small mail load for the purpose, I suppose, of giving a reason to install certain navigational aids, landing fields, and so forth, used and useful in the national defense and, likewise, have served national defense in days past. Now that, we recognize, is not a profitable business for the Government. On the other hand, no one yet has made any comparison of the actual value of the service performed in carrying the mail by the air lines to the cost of doing that service that the air lines undertake. Now, the value of the carriage of the mail should have some reference ordinarily to the cost of doing business, should it not?

Mr. GRIFFITHS. I will say to the gentleman from California, yes, insofar as I really believe in it. Possibly there may be some other way, because we must have the air routes and our air transportation, but I am quite sure that we should hold the Post Office Department responsible for the deficit that that might result in.

Mr. HINSHAW. Of course, the Post Office Department was the department of Government that really instituted the air-mail system and called upon the public to provide that service, and they continued to call upon the public to provide air-mail service.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. CANFIELD. Mr. Chairman, I yield the gentleman from Indiana [Mr. SPRINGER] such time as he may desire.

Mr. SPRINGER. Mr. Chairman, during the general debate upon this pending measure, H. R. 2436, it is my desire to commend the Appropriations Committee, and the subcommittee which has

handled this measure, for the sound and constructive reductions that have been made in this bill. The very fact that a decrease of \$897,072,750 is made below the 1948 estimates will be heartening to the people of this country. These appropriations have been mounting higher and higher for a long time, and I feel confident that this reduction, made in this measure, will be reassuring to the people, that we have started in the right direction—in the direction of economy in our Government.

The fact is, Mr. Chairman, that the appropriations heretofore made have been in such staggering amounts and they made possible the addition of many, many more Government employees, thereby increasing the pay roll in the departments here involved, has caused the people—the taxpayers of the country—to abandon all hope that their own Government would, at any time, make a firm resolve, and keep it, to reduce the Federal spending. Therefore this measure which is now presented will be hailed with acclaim by the people of the Nation as the first step taken in the right direction—and that direction is toward the reduction of the Federal spending of the taxpayers' money. I mention this fact because the people have watched the mounting appropriations, in the many and various departments of Government, until they were appalled by that apparently reckless abandon on the part of the majority which were in power before January 3, 1947. Now the change has occurred—and we find that this particular appropriation is reduced, and the House of Representatives has taken this step to assure that there will be a reduction in the fund allowed for spending and also that the needless and useless employees in those departments will have to go. This has a wholesome effect throughout our Nation, because the people are bowed down under the burden of taxes, and this reduction—together with many other reductions that will surely follow—will reassure the people that the tax burden will be readjusted and that their burden of taxation will be relieved insofar as possible.

Mr. Chairman, may I subscribe wholeheartedly to this necessary change in the policy of our Government, at this time. We are faced, on every hand, with demands for aid. Europe waits for our money with open hands, for almost every claimed emergency. In many instances we have been gullible, and very generous—responding to almost every demand. The end of that road has been reached, and now we must look, to some extent, to our own country and to our own needs, and the greatest factor that we can possess is the fact that we have made our own Nation both sound and strong. That can be accomplished in but one way, and that one way is by the building and development of a strong nation financially—one which can cope with any and every emergency. A weak nation—or any nation which is overburdened with debt—or a nation which has no reserve in the hands of its people—faces a crisis if and when she meets an emergency. While we do not contemplate any emergency, yet we must prepare to meet the future, and that can

be best accomplished when we are sound and strong as a nation. It is my hope that those in charge of all future appropriations will guard the Treasury of the United States, and by so doing they will guard the people—the taxpayers—of this Nation. That the reserve left in the hands of the people will aid in the development of the progress in our Nation, and such a policy will revive the ambition to go forward in the arts and trades in civil life during the postwar period, all of which will aid civilization generally in the march of progress as we desire to witness it.

Therefore, Mr. Chairman, I merely rise to commend all those who have participated in this very deep cut in this appropriation bill. Our Government must get along without spending all of the resources in our Nation in time of peace, and the needless and unnecessary employees now upon the pay roll must go. That is the wish and the will of the people, and that is the wish and will of a majority of the Representatives of the people serving them in the National Congress.

The CHAIRMAN. The time of the gentleman has expired.

(Mr. SPRINGER asked and was given permission to revise and extend his remarks.)

(At the request of Mr. D'ALESSANDRO, Mr. GARY was given permission to revise and extend his remarks.)

Mr. D'ALESSANDRO. Mr. Chairman, I yield 15 minutes to the ranking minority member of the Committee on Appropriations, the distinguished gentleman from Missouri [Mr. CANNON].

Mr. CANNON. Mr. Chairman, the efficiency of an artisan is determined largely by the excellence of his tools and the success of an executive depends to a great extent upon the competence of his staff. The Committee on Appropriations is no exception to the rule. We have had a staff of exceptional qualification and ability which has cooperated to produce the greatest volume and quality of work. So it is a matter of deep regret to us today that we lose, with the final disposition of this bill, one of the highest-ranking members of that staff, Jack McFall, who appears here on the floor with the committee for the last time.

Mr. McFall has been in the service on the Hill for almost a quarter of a century. He has been with the Committee on Appropriations for something like 19 or 20 years. His work with the committee was interrupted during the war, of course, by his naval service abroad. He went across as a naval lieutenant and came back as a naval commander with a record for creditable and distinguished service. He resumed his place with us and has been with us since that time but leaves us this month to enter the diplomatic service, for which he is particularly qualified.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from New Jersey.

Mr. CANFIELD. I think the distinguished former chairman of the committee will agree with me when I say that Jack McFall not only looks the part of a diplomat but acts the part.

Mr. CANNON. That is self-evident. I am glad to find myself in complete agreement with our chairman on this as well as on many other matters under discussion this afternoon. And may I take advantage of the opportunity to felicitate the chairman on the admirable way in which he has handled the hearings on the bill and his every effective presentation of the bill both in the committee and in the House. I have no doubt that he, like the rest of us, has considered himself fortunate in having the benefit of Jack McFall's counsel and advice on many of the intricate problems carried in the bill. We regret to see him go. We have offered every inducement to keep him. We have offered him the highest salary ever paid any man on the staff, up to the beginning of this Congress. But his heart is in the diplomatic service, and the tact, diplomacy, and capacity which have characterized his work for the committee will stand him in good stead in his new field. So, reluctantly and regretfully, we have consented to let him go, although this is a most inopportune time for us to dispense with his services. I am certain not only the committee but the House join with me in wishing him Godspeed and good luck and continued success I am certain he will have.

Mr. Chairman, this bill is notable in another respect. Never before has an annual supply bill been reported to the Congress so late in the session. Here we are approaching the ides of March, and this the first of the annual bills called up in the House for consideration. In the history of the Republic, since the administration of President Washington, never before has the first major appropriation bill been reported so late in the session. By this time last year we had considered and passed four of the annual appropriation bills, the independent offices bill, the agricultural bill, the civil functions of the War Department bill, and the Treasury and Post Office bill. Of course, for many years we brought in and passed all appropriation bills before the constitutional date of March 4. I appreciate the fact that there has been delay incident to the organization of the committees. But we have had notice since November 5 of the situation and, in any event, the delay is without precedent.

Mr. Chairman, this bill is extraordinary in another respect. It is the first and the most significant indication as to the intention of the leadership of the House and the Congress to carry out the great and laudable program of efficiency, retrenchment, and economy which was so strongly emphasized in the campaign last November.

It is immaterial, my friends, whether the sum named in the resolution reported out by the Joint Legislative Committee on the Budget is \$6,000,000,000 or \$4,500,000,000. The cut eventually proposed in the resolution, and agreed to by the two Houses, means nothing unless corresponding and proportional amounts are cut from the supply bills as they are presented to the House. For some months now the attention of the country has been centered on the overall cut to be made in congressional ap-

propriations and in recent weeks the report of this bill has been eagerly anticipated. Every statement emanating from the leadership of the House indicated vast reductions in amounts and wholesale dismissals of personnel. We waited with bated breath. And here, at last, is the long publicized bill. Here we have the first opportunity to judge the sincerity of these protestations of economy and retrenchment. Here is the first installment of the \$6,000,000,000 reduction and the million and a half separations from the Federal pay roll.

What does it propose? Why, Mr. Chairman, it is unbelievable. Instead of the huge cuts we have been led to expect, this bill actually cuts the budget less than we cut it in the last session—when we were still on the way back to a peacetime status.

Here is the largest appropriation bill of the session. It comprises in round figures, practically a third of the budget. If we ever propose to make a reduction in the expenses and pay rolls of the Government here is the place to make it. If they cannot cut any part of \$3,000,000,000 out of a third of the budget, how can they cut \$6,000,000,000 out of the remaining two-thirds of the budget?

As has been said, this bill cuts the estimates for the Post Office Department only \$14,000,000. Why, we cut the Post Office budget last year \$19,000,000. And that was not the most significant feature of it. They are cutting the \$14,000,000 this year from a budget which exceeds \$1,500,000,000. Last year we cut \$19,000,000 from a budget of only \$1,200,000,000.

My good friend, the distinguished gentleman from Illinois, says: "Well, last year we had some deficiencies."

In view of that statement, the question naturally arises as to whether further appropriations are contemplated if this bill fails to provide for the Department to the end of the fiscal year? Is a choice to be made between a deficiency appropriation and discontinuation of service? That is the alternative. Will more money be provided or will delivery of the mail be stopped?

But let us not lose sight of the primary issue. Our objective here is to deliver the first installment of the promised six billion cut in the budget, and the first contingent of the million—some promised a million and a half—dismissals from the swollen Federal pay rolls. Where are they? Where are the billions of cuts and the million of dismissals—or any part of them.

You cannot point out a single dismissal in the entire Post Office Department.

If the first and largest appropriation bill to be reported to the House is to be taken as a fair sample of the redemption of these campaign pledges of retrenchment, the country is headed for a sad disillusionment by the time the last bill of the session is reached.

My friends, I am distressed and disappointed. I had hoped to cooperate with the House leadership in real economies—in the liquidation of all wartime expenditures and the reduction of the budget to a peacetime basis. I deplore and deprecate the reckless and prof-

ligate extravagance of these spenders who now refuse to cut the budget on a \$1,500,000,000 estimate as much as we cut it last year on a \$1,200,000,000 estimate.

Mr. GORE. Will the gentleman yield?

Mr. CANNON. I yield to the gentleman from Tennessee.

Mr. GORE. Do I understand that in this bill which provides for 490,000 bureaucrats in the Post Office Department not one bureaucrat is cut off?

Mr. CANNON. Not one single bureaucrat. Not a single Communist. Not a single boondoggler. Of all the teeming hordes of parasites and chisellers and loafers and fan dancers and subversives we were told last November were infesting the Departments of the Government, not a single one is being separated from his soft job in the entire Post Office Department. Every one of them is being retained by this bill—at the largest salaries ever paid in the history of the Government.

Mr. BATES of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. CANNON. In just a moment. If the gentleman will permit me to conclude my statement. Even such purported economies as are reported in the bill are not economies at all. For example the \$800,000,000 in tax refunds they propose to "save" here cannot be construed as a saving by any stretch of the imagination. Let anyone show us where it will save a penny.

Mr. BATES of Massachusetts. Will the gentleman yield there?

Mr. CANNON. I yield to the gentleman from Massachusetts.

Mr. BATES of Massachusetts. The gentleman is a member of the Appropriations Committee and I believe the senior member of the minority. I presume the gentleman sat in the hearings at the time the subcommittee made its report. Did the gentleman make any effort in the committee to reduce any of the bureaucrats he is speaking of? Where can these cuts be made?

Mr. CANNON. My friend is certainly aware that I was completely overshadowed by the overwhelming majority which completely controlled the committee. I regret to say that under the circumstances I was merely a bystander standing by, an onlooker looking on. I was for the economy program. I was for retrenchment. I was for reduction. I have repeatedly said on this floor that I favor reducing the budget more than \$6,000,000,000. That is not an idle statement. It is borne out by our record in the last Congress, in which we not only excised \$64,000,000,000, but cut the estimate on this identical appropriation \$19,000,000 whereas this year you propose to cut it only \$14,000,000.

You say you are saving \$800,000,000 on tax refunds. You are not saving a thin dime. Every penny of it must be paid. Nobody denies that. It is the law. If a man overpays us on taxes, we must return the surplus. We have no alternative. So, your proposal here is merely to defer the inevitable day of settlement.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from Michigan.

Mr. DINGELL. I think the only reason that was put in the report is because it is a big figure, even if it does not mean anything.

Mr. CANNON. Exactly. Let us examine it a little more closely. They say the amount required for the purpose was overestimated.

If in the past this item had, from year to year, been overestimated, such a charge might be plausible. But what is the history of the estimate? Last year the Department, in estimating the money required for this item, underestimated it. The year before, in estimating money for the item, they also underestimated it. For every year from the beginning they have consistently underestimated it. I was told by representatives of the Treasury Department, when they came up here the other day to testify before the committee, that, in their opinion, they had again underestimated it.

Who is entitled to credence in such matters, departmental officials who have had many years of experience in the administration of the law—and who have consistently underestimated it—or Members of the House who have taken a cursory glance at it and claim it has been overestimated? Permit me to refer to the opinion of an impartial commentator on that point. I read from an editorial in this morning's Washington Post—

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. CANNON. Just as soon as I read this brief paragraph.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. GARY. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. CANNON. I read from an editorial in this morning's issue of the Washington Post:

The amount of overpayments next year is at best only an informed guess. But we are disposed to place more reliance on the guesses of Government experts than on the opinions of the House Appropriations Committee. In any event, a mere cutting of the estimates of prospective refunds will not save money. It will simply necessitate passing a deficiency bill if the lower estimates prove inadequate and probably delay restitution to taxpayers. Hence, we conclude that Democratic charges of "budget legerdemain" are well warranted.

This is a fair sample of the opinion of the public and the press. Up to this time no editorial comment has been received taking issue with this point of view.

The postponement of the day of accounting is not an economy. It will not effect a saving of money or result in any other advantage to the Treasury or the taxpayer.

On the contrary it will result in serious disadvantages. The delay in making the appropriation will not only disorganize the very satisfactory system in use for many years but it may delay the payment of money due taxpayers who are entitled to a refund. Conceivably the amount provided in the bill may not be sufficient to take care of payments until a deficiency bill can be passed. It might not only discommode the taxpayer but it would involve a heavy expense to the Government in interest charges. Amounts overdue draw interest at the

rate of 6 percent. If, as the Washington Post suggests, the Treasury's estimate should prove correct and there should be a consequent delay of but three months in providing for the deficit, the provision in the bill would add to—not take away from—the budget, \$12,000,000, and \$4,000,000 more per month for each additional month of delay.

Mr. ZIMMERMAN. Mr. Chairman, will the gentleman yield?

Mr. CANNON. I yield to my colleague from Missouri.

Mr. ZIMMERMAN. Does the gentleman mean to tell this Committee today that if we do not pay the refunds that are found to be due that we are going to have to pay these men bank interest on it?

Mr. CANNON. Certainly; interest at the very substantial rate of 6 percent.

Mr. ZIMMERMAN. Six percent? Is that economy?

Mr. CANNON. That is the brand of economy carried in this paragraph of the bill.

Mr. COUDERT. Mr. Chairman, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from New York.

Mr. COUDERT. The distinguished former chairman of the Committee on Appropriations has heavily belabored the point of the estimate on refunds. Does the gentleman contend that the Appropriations Committee is not within its legitimate and proper right in making such estimate for itself and substituting its own estimate for the Bureau of the Budget's estimate? Or would the distinguished gentleman from Missouri have the Appropriations Committee as a matter of principle and without further consideration merely accept the estimate of the Budget Bureau even if in its own best judgment they disagreed with it?

Mr. CANNON. They should accept the estimate unless they have evidence on which to base a contrary opinion. No such evidence appears in the hearings.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. CANNON. I am glad to yield to the distinguished chairman of the subcommittee.

Mr. CANFIELD. Does the former chairman of this committee contend here and now that the Treasury made this estimate on tax refunds?

Mr. CANNON. Yes; this estimate was made by the Treasury Department. It has been made by the Department for many years.

Mr. CANFIELD. I beg to disagree with the gentleman. The estimate was made by the Bureau of the Budget, not by the Treasury Department.

Mr. CANNON. The system under which the estimate was made has been in effect—

Mr. CANFIELD. The estimate was made by the Bureau of the Budget, not the Treasury Department.

Mr. CANNON. The Treasury Department made the estimate and transmitted it to the Bureau of the Budget. All departmental estimates are submitted through the Budget Bureau. But

that is beside the point. The question is not what governmental agency made the estimate but whether the estimate is accurate.

And the prime consideration is not who made the estimate but whether eliminating the appropriation in this bill will save money. The report does not claim that this postponement of funds for tax refunds will result in the slightest saving. No one in the entire debate here on the floor today has contended that it will save a penny.

And in the meantime while the committee is shadow-boxing this \$800,000,000 item out of the ring to await the next bout—in which it is certain to register a knockout against the committee's claims of economy—the committee is failing to make even a modicum of the cut which would have to be made in this bill in order to contribute its part to the proposed cut of \$6,000,000,000 in the budget and a million and a half reduction in departmental personnel.

Mr. Chairman, I shall vote for whatever legislative budget is finally reported out of conference, not with any idea of committing myself to the ceilings ultimately determined upon, but because an affirmative vote is an evidence of intent and purpose to retrench to the minimum, and because retrenchment is in keeping with the consistent and collective policy we have followed on this side of the aisle through the last several sessions of Congress; not arbitrary cuts unsupported by evidence; not cuts in the nature of deferments, made to establish an economy record for political advantage, but cuts in the public interest which will result in lasting lessened demands on the public purse.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

(Mr. CANNON asked and was given permission to revise and extend his remarks.)

Mr. CANFIELD. Mr. Chairman, I yield 10 minutes to the gentleman from Connecticut [Mr. MILLER].

Mr. MILLER of Connecticut. Mr. Chairman, I want to call the attention of the committee to an item in this bill, found on page 23 commencing with line 18 and running through to line 12 on page 24, having to do with ceilings on the price of typewriters bought by the Federal Government. I have the highest regard for the membership of this committee and for my colleagues in the House and I feel very sure that if they had had the time to devote to looking into this particular detail that they perhaps would like to have had, this language would not be found in the bill. If I fail in the 10 minutes available to me this afternoon to convince them that they should join with me in a move to strike this language from the bill, I can only conclude that I have not properly presented the matter to them and to other members of this committee.

I appeal this afternoon to the fairness of my colleagues. This matter of setting a price ceiling on typewriters bought by the Federal Government is an old custom established by the Appropriations Committee first in 1913. I am advised that it would be possible to

make a point of order and have this language stricken from the bill due to the fact that it extends the limitation not only to this bill but to any other act; however, I would rather present the matter on its merits and hope the committee will decide not to continue this unfair practice which in the next year or two may prove detrimental to some departments of the Government. Testimony will be found in the hearings on pages 866 to 876 indicating quite clearly that the manufacturers of typewriters want to be fair in their dealings with the Government. Different proposals were made. In substance they all were agreed that they wanted to sell typewriters to the Federal Government at as low a price as they would sell to any other large users of typewriters. In fact, some said they would sell typewriters at a lower price to the Government than to other purchasers of typewriters.

This ceiling of \$77 was set last year. In 1922 the ceiling was set at \$70. I believe in the last Congress they were given a 10 percent increase. A standard typewriter—Royal, Underwood, or L. C. Smith—sold in 1941 for \$115.50. That same typewriter today is selling for \$142.50. Still there is no increase provided for in this bill. Every time I have brought this to the attention of the subcommittee, and I have brought it to the attention of the subcommittee on several occasions since 1939, I have been told it is a complex problem, they do not know exactly what the cost of typewriters are, but they say we are going to look into the matter and next year we will deal with it on the basis of our information. Someone may contend today or tomorrow that the thing to do is to leave this in the bill, then look into the price question later. In all sincerity I submit that the fairest thing to do is to take the limitation out of the bill. Let the Government purchase typewriters as they purchase everything else. Then in the year to come if they can give some justification for this limitation, put it back in next year. If they bring in a justification I certainly will join in restoring the ceilings.

Is there any more reason why the Government should purchase typewriters by putting a ceiling in an appropriation bill than it should say: "Well, a Ford automobile is selling for \$1,200. It ought to be sold to the Government for \$700. We will put that limitation in the bill." There would be just as much reason for that. No Member of this House can stand up here on the floor today and tell us what it costs to manufacture these various brands of typewriters.

There is not a monopoly on typewriters. There are 8 or 10 companies manufacturing them. No one company is big enough to fill the needs of the Federal Government. According to the hearings the Government will purchase from 40,000 to 50,000 typewriters in the next year.

What has happened because of this limitation? One company, the Royal Typewriter Co., the home office of which is in my district, reluctantly advised the Government that they can no longer supply typewriters at this ceiling price. The L. C. Smith-Corona Co. said, "We

can only stand selling 500 typewriters to the Government at that price." The Underwood Corp. says, "We can let you have 5,000 at that price." They are selling these typewriters to the Government under the limitations of this act definitely at a loss. That loss is being made up and must be made up if they are going to finish the year in black ink, by putting that loss on the business community or others who buy typewriters.

I want to call the committee's attention particularly and urge that between now and tomorrow afternoon you read a few of the short statements that appear in the RECORD, the first one being on page 870.

On page 868 you will find a letter addressed to the Honorable Louis LUDLOW, signed by the vice president of the Royal Typewriter Co., which gives you the historical background of this matter.

On page 870 there is testimony of the vice president of the Remington-Rand Co. dealing with this subject. He suggests that instead of this limitation, if there must be some limitation put in, that this language be proposed:

No part of any money appropriated by this or any other Act shall be used during the fiscal year 1948 for the purchase within the continental limits of the United States of any typewriting machines at a price in excess of that currently charged by the manufacturer for such machines when sold to users of such machines in large quantities.

Bear in mind that there is no limitation written into the law for the purchase of adding machines, calculators, or even electric typewriters. There is a ceiling on noiseless typewriters, and one of the reasons that every office on the Hill cannot have a noiseless typewriter is that the companies simply cannot sell them at the ceiling. An Underwood noiseless sells in the market at \$204. In this bill there is a ceiling of \$88, which is less than the cost of production of a Underwood noiseless typewriter.

I think that must be apparent to every Member of the House, bearing in mind simply the increase in wages and materials in the typewriter industry that have gone into effect since 1939 alone. The Department surely does not make out a case to justify this limitation or this ceiling, although the Treasury Department does ask that it be continued.

On page 875 Mr. LEFEBVRE inserts a statement in the RECORD in which he suggests:

"In determining what discount should apply to Government sales it would be desirable to require each company to submit data that would aid in reaching an equitable figure. Such data might include their present rates of discount to commercial users and schools, what advertising and sales expense they allocate to Government sales, what savings in distribution costs are involved in Government sales and whether such costs of sales to the Government as susceptible of reduction.

If that is going to be the policy of the Government, why not do it on everything? Why not say we will cut the cost of toll calls; they are too high, so we will put a limit in our appropriation bill and say we won't pay more than 50 percent of the advertised toll price? We do not do it on any other commodity, and it is an important item to those

companies. In 1932 the Federal Government spent \$400,000 to purchase typewriters that year. In 1941 the Royal Typewriter Co. alone sold \$8,500,000 worth of typewriters to the Federal Government. That is important to those who work in the Royal Typewriter plant and to the company itself.

I am sure that this ceiling can be taken off without causing any inconvenience or any unnecessary increase in the price. As was said on one occasion when this matter was before the Congress, "We are simply legalizing a trust in the typewriter industry; we are making them do something that is unlawful for them to do." They could not act together themselves and agree at a price at which they will sell typewriters and we, by law, make them sell them at a predetermined price.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Connecticut. I yield to the gentleman from New Jersey.

Mr. CANFIELD. I believe there is a law establishing ceiling prices on automobiles purchased by the Federal Government. Notwithstanding that fact, the committee indulged in many of the facts presented by the gentleman from Connecticut this afternoon. We know how deeply concerned he has been over this problem for many years. At the same time he must appreciate this fact: This language came to us from the Bureau of the budget. The language has been in the appropriation bill for some 20 years. We, of the committee, did not feel that we were equipped, and did not have the information to pass properly on the request of the companies at this time, so we have ordered our investigating staff to go into all phases of this situation so that when the 1949 bill comes before us we will be able to do something and take proper action.

The CHAIRMAN. The time of the gentleman from Connecticut has expired.

Mr. CANFIELD. Mr. Chairman, I yield the gentleman two additional minutes.

Mr. MILLER of Connecticut. In reply may I say this, that I can show you in the RECORD of previous debates on this bill the very same promise, that it will be looked into the next year.

Mr. CANFIELD. I must disagree with my friend and colleague from Connecticut. This is the first time we have had investigators associated with the Appropriations Committee that could be called on to do a job, and they are on the job now.

Mr. MILLER of Connecticut. Is there any reason why the Congress should determine the price at which the Government shall buy typewriters any more than any other commodity the Government buys? Why pick this particular item?

Mr. CANFIELD. My only answer to the question propounded by the gentleman from Connecticut is that the Treasury insists that there are reasons. Personally I am inclined to be sympathetic to the proposition advanced by the gentleman from Connecticut this afternoon, and I am going to try to help him and

others pursuing this problem and do something about it.

Mr. MILLER of Connecticut. I appreciate that. I know the gentleman will find out. Certainly they have not made a case in this hearing to justify ceilings.

Mr. DURHAM. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Connecticut. I yield to the gentleman from North Carolina.

Mr. DURHAM. May I say to the gentleman that neither the Committee on Appropriations nor anyone else wants to set up an OPA. I am glad the gentleman brought this up here. I think it is time we should consider the matter. Are we going to continue an OPA by an appropriations act? I think it is very unwise.

Mr. MILLER of Connecticut. The Appropriations Committee is not as generous as the OPA. OPA gave them a 14-percent increase in their ceiling price a few months before it went out of existence. We are holding them to 10-percent above the 1922 price.

Mr. DURHAM. I meant to agree with the gentleman.

Mr. MILLER of Connecticut. I know the gentleman does.

With all due respect to the committee, and it will be no reflection on the committee, I do feel compelled to offer tomorrow an amendment to strike this language from the bill and submit it to the judgment of the House. I say this with all due respect to my colleagues and with deep appreciation of the assurances of the chairman of the subcommittee that this subject will be further investigated.

The CHAIRMAN. The time of the gentleman from Connecticut has expired.

(Mr. MILLER of Connecticut asked and was given permission to revise and extend his remarks.)

[Mr. CURTIS addressed the Committee. His remarks will appear hereafter in the Appendix.]

Mr. GARY. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. EBERHARTER].

Mr. EBERHARTER. Mr. Chairman, I had intended to speak on this particular matter tomorrow, but inasmuch as there is the opportunity to address the Committee at the present time I have made a note of some figures which I would like to call attention to the Committee.

The chairman of the subcommittee in his opening remarks referred to the combining of the functions of three different subdivisions into one subdivision of the general counsel's office. Those divisions were tax research, Tax Legislative Counsel, and Division of Research and Statistics, all of which would go into the general counsel's office. From the report, Mr. Chairman, I notice that the appropriation for Tax Research in 1947 was \$175,000. That is cut out entirely. The appropriation for the Tax Legislation Counsel is \$89,000, and that is cut out entirely. The Division of Research and Statistics appropriation for 1947 was \$165,000, making a total of \$429,000 which is entirely eliminated from this year's appropriation recommended in this bill. I would like to know from the

subcommittee as to whether or not it was the intention of the subcommittee to eliminate the services of those three divisions from which every cent has been taken away in this bill.

Mr. CANFIELD. Mr. Chairman, if the gentleman will yield, I think I can allay his fears immediately. We allowed the general counsel \$250,000 in addition to his regular allowance to take care of these units under his jurisdiction. That is a quarter of a million dollars in addition.

Mr. EBERHARTER. Is that set out any place in the bill?

Mr. CANFIELD. Oh, yes; in the report on page 6.

Mr. EBERHARTER. It does not say specifically that it is not intended that these agencies are to be abolished. It does not say, "So much of the funds shall be used by these three divisions." I call attention to the fact that the Tax Legislative Counsel has been in operation since at least 1922. That Division is composed not completely of lawyers, but it is composed of economists, actuaries, and statisticians. Their functions have nothing whatsoever to do with the general counsel's functions. I am just afraid the committee did not go into this subject sufficiently to justify eliminating these figures.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. EBERHARTER. I yield.

Mr. CANFIELD. If the gentleman will read the hearings between tonight and tomorrow noon, I venture to say he will agree with us that the job can be done. All I ask is that the gentleman read the hearings on these separate units and then review our incorporation of them in the office of general counsel. I know something of the gentleman's fairness and I believe the gentleman will agree with us that the job can be done. Here, of all places in this bill, is where a saving can be made and should be made. I am sure of that.

Mr. EBERHARTER. I am glad to have the gentleman's assurance. I just wanted to know that it was not the purpose of the subcommittee or the general committee or the Congress that the money heretofore appropriated for these three divisions will not be wiped out; that it is intended that they should function. I understand the Commissioner of Internal Revenue said he had never used the tax legislative council. That is a position that is composed almost entirely of economists, statisticians, and actuaries. The general counsel's office was never called upon to furnish the information that that tax legislative council furnished the Congress. It is only because they were in a position to furnish the Congress with the particular information they needed with respect to the formulation of proper tax bills that we have been able to get the kind of revenue we have been getting.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. EBERHARTER] has expired.

Mr. GARY. Mr. Chairman, I yield the gentleman two additional minutes.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. EBERHARTER. I yield.

Mr. CANFIELD. The Commissioner of Internal Revenue said he got more and better information from his own legal service than he got from any other department; he never consulted those divisions.

Mr. EBERHARTER. That is the point I make, exactly. The very word "legislative" means that it was set up for the purpose of furnishing Congress with information. So why combine it with the general counsel's office, that knows nothing of their responsibilities or duties.

Mr. CANFIELD. That is a part of the general counsel's duties, to do just that same thing. If you will read the testimony of the general counsel and the testimony of Mr. Surrey and Mr. Shere I cannot help but feel that the gentleman will agree with the committee.

Mr. EBERHARTER. I wish we could get together so that there is a clear understanding that these divisions are not to be abolished. I thank the gentleman.

The CHAIRMAN. The time of the gentleman from Pennsylvania has again expired.

Mr. CANFIELD. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. BYRNES].

Mr. BYRNES of Wisconsin. Mr. Chairman, I take this time to inquire for my own information, and I think the information of many people who are interested in the subject, as to just exactly what the set-up is going to be under this appropriation bill of the Coast Guard and its activity, which they presently call their lifeboat stations, but which at one time was called their lifesaving service.

May I say at the outset that it is not my intention to comment one way or the other on whether or not the committee has granted to the Coast Guard a sufficient amount of money. I intend to support this committee as I intend to support all of the appropriation subcommittees in their most difficult task of cutting down our Federal expenditures.

I trust they will cut all appropriations to the absolute minimum. I will be with them a hundred percent in that endeavor. The only thing I take this time for is to find out just what the situation of this particular activity is going to be in order that the people concerned may know what is going to take place. I will tell you one reason why this is of particular concern to me. The district I represent has at least 200 miles of bay and lake coast line. We have there at the present time four lifesaving stations or lifeboat stations that have been maintained, and maintained historically, by the Coast Guard to give protection to pleasure and commercial shipping that may be in distress in those waters. Last June we had a very severe accident in which four people were drowned. It developed that the Coast Guard facilities were practically nonexistent. They had the facilities there but they were undermanned and they could not respond. In other words, by the very fact that these stations were there the people were lulled into a false sense of security. If it is

going to be the case this year that these stations are not going to be properly maintained we want to know about it so that, if necessary, these people can take adequate steps for protection to insure safety to pleasure and other craft using these waters. As is generally true of most agencies when something like that happens and they are unable to give the service that is expected of them they blame it on Congress and say: "Well, we did not have enough funds."

Let me call your attention to a letter I received when I investigated the matter. This is a letter from Admiral Farley, of the Coast Guard. He says he is deeply concerned about the personnel situation of the service but he says that due to rapid demobilization and resultant deployment, plus the increased demands of other Coast Guard activities and insufficient funds to provide the necessary number of personnel to fulfill the requirements of the Coast Guard, a serious personnel shortage developed. That is the reason.

Now, have we given them enough money?

You will recall that last year after the Appropriations Committee made an appropriation to the Treasury Department, including Coast Guard facilities, the Coast Guard came back and said they had to have a supplemental appropriation for the lifeboat stations. I am inclined to think that what the Coast Guard has been doing is to reallocate their funds to probably more romantic and newer fields of activity rather than to the historical obligations they should maintain. They should maintain these lifesaving stations under the highest priority.

I want to know if the committee can tell me whether the bill this year will carry sufficient funds in order that these lifesaving stations can be maintained?

Mr. CANFIELD. I salute the gentleman from Wisconsin on the stand he has taken. He talks as though he were a member of the subcommittee handling this bill, because what we are doing here, as I said earlier in the afternoon, is to get the Coast Guard back home to take care of all those facilities the gentleman has mentioned this afternoon. We have provided in this bill sufficient moneys for them to do all of that work. We have also given them a great deal of elasticity in the handling of these moneys. If the Coast Guard keeps faith with the Congress appropriating funds in this bill there will be no difficulty about manning the stations the gentleman has in mind.

Mr. BYRNES of Wisconsin. I thank the chairman of the subcommittee and thank him for his assurances. I appreciate the position that he and his committee has taken on this matter. I also applaud the action taken by the committee in its report in saying that they have assigned to the Coast Guard itself the task of assigning priorities to its various projects. But I was wondering whether the committee had pointed any finger at the lifesaving service? I believe this may be necessary because I am inclined to think, from their past activities that that is not one of the activities they would like to give priority

to. They seem to be more intrigued by some of their newer activities. I think some positive direction should be given them that these lifesaving activities should be given priority recognition. I am very pleased to have the assurance of the chairman of the subcommittee that he is confident that the Coast Guard, if it keeps faith with the Congress, can and will give proper recognition to its duty to properly maintain the lifeboat stations.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

(Mr. BYRNES of Wisconsin asked and was given permission to revise and extend his remarks.)

Mr. CANFIELD. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. HINSHAW].

Mr. HINSHAW. Mr. Chairman, I would like to take this time of the Subcommittee of the Committee on Appropriations for the Post Office Department and the Treasury Department to have a discussion, if I may, on certain important matters in relation to aviation which is under the legislative jurisdiction of my committee. In the first place, it is noted from the hearings that the heavy-mail carriers by air receive a mail pay of about 45 cents per ton-mile and that the light carriers receive about 60 cents per ton-mile. If you recognize that a ton is the equivalent of 10 passengers, allowing 160 pounds per person of body weight and 40 pounds of baggage, you can see that by dividing the 45 cents per ton-mile by 10 you come to 4½ cents per passenger-mile, which is equivalent to the 45 cents per ton-mile rail rate. That means that the passenger and the mail both are paying approximately the same rate for their transportation.

Mail, as you know, has a priority over the passenger. You will remember that during the war when travel was exceedingly heavy if the mail exceeded the capacity of the mail compartment in an aircraft, the passengers had to give up their seats and the mail was placed in the seats of the passenger and strapped down. In other words, the mail goes through first regardless of the convenience of the traveling public. I say that to you because it must be realized that while mail has a priority the rate paid for its transportation is on a par with the rate paid by the passenger. There are other factors to be considered, of course. But the controlling factor in nearly every case is the value of the transportation. There is very little, if any, subsidy in the air-line mail pay.

My committee has recognized the need for the extension in certain areas of certain air routes. We recognize that those routes are not economical, either from the standpoint of the carriage of passengers or of mail; however, it is highly desirable that those routes be covered by aircraft for the establishment of the route, first so that it may be available to the purposes of national defense and incidentally for the service of whatever people may be at the other end of the route or on the route. It is not anticipated that those routes necessarily will be commercially profitable, although it would be hoped that in due course they

would become profitable. So we are not particularly concerned when you speak of the subsidization of certain air-mail routes.

Unfortunately, the subject of air commerce comes under the purview of at least four committees of the House. There is this Subcommittee on Appropriations for the Post Office Department and Treasury; there is the Subcommittee on State, Commerce, and Justice, which has to do with the Civil Aeronautics Administration and the Civil Aeronautics Board; and I believe also that the Independent Offices Subcommittee has something to do with it some place, I cannot just remember where. On the legislative side we have the Committee on Interstate and Foreign Commerce, of which I am a member, having jurisdiction over legislative matters relating to aviation. Then there is the Civil Service Committee that I believe now has incorporated within it the old Committee on Post Offices and Post Roads, which committee establishes postal rates for the dispatch of the mail, the rates to the public.

I suggest to the committee and to the House that we might very well go into a very careful look-see of this whole proposition from all angles, considering cost of the carriage of mail in various conveyances, and so forth. The gentlemen on this committee will recognize, I believe that, in the transportation of first-class mail by rail, there may be cars that are sent out on railroads to distant points, sometimes at the ends of spur lines, with very little mail in them; yet the cost of the car is charged to the Post Office Department. That, of course, is in the nature of a subsidy, if that is what you want to call it, but actually it is the cost of a service to the people. The same thing can be said to be true of mail shipments by marine vessels. We have marine vessels leaving the ports of the United States for distant parts of the world carrying a relatively small amount of mail for which very high per-ton-mile payment is made. That likewise is a subsidy. It is a subsidy on a much larger order than is given to any air line that I know of. There are other forms of transportation in which the cost per mile of the vehicle itself is considered to be the amount to be paid, and no reference to the amount of mail carried is involved.

I notice in your hearings that you considered all American aviation. They are paid for the number of miles flown and not by the poundage of the mail carried. If you want to find out the actual rate per pound-mile or per ton-mile you will first have to find out how many pounds of mail are carried, and how far. So, when you say casually that there is a subsidy involved, you labor under a misapprehension of the over-all fact if you do not consider likewise other forms of subsidy given to other forms of transportation, such as the ocean shipping, the rail system and by bus or truck. So, I think before we get too far in this subject of trying to make such charges of subsidy to air lines for carrying the mail that we ought to consider all of those other facts in the total picture.

In reference to the inland waterways, for example, the Government of the

United States has spent \$4,000,000,000 on improving and maintaining the inland waterways, and yet those inland waterways are free to the users thereof. No charge whatever is made for it. That is also true of our rivers and harbors generally. No general charge that I know of is made for the use of river and harbor improvements or for the lighthouse service or the rescue service of the Coast Guard. There are a great many services that are performed by the public by governmental agencies that are free—free of any use charge whatsoever.

Some attention has been drawn to certain things that are being done to aid air navigation, and I would like to call the committee's attention to the fact that if we had not had these aids to air navigation before the war, we might have been in a very sad way for the conducting of our military and naval aviation. My committee considers aids to air navigation not only as aids to civil aviation, but likewise considers the importance of the establishment and building of these great highways of the air for the national defense. The Civil Aeronautics Act provides that in the event of war the entire aviation picture is available to the national defense set-up. In the last war, immediately on the declaration of war, the War and Navy Departments took over one-half of the civil air transport aircraft that were in service. They just took them over; they took over practically the complete operation of certain principal airports of the United States and all military planes, of course, had priority in any event, every place. They took on many of the civil pilots and the operating crews and ground crews and others and put them directly into the service of the armed services. Actually, the civil air business is an auxiliary to the United States defense forces. It is not a separate institution than can go its own way as it pleases at all times.

A while ago, Mr. Chairman, you spoke about the so-called Loran stations that are located on our coast. Loran is a gadget that was devised during the war as an aid to navigation on both land and sea. This has come to be a very important navigational aid for both aircraft and ships at sea.

We hope that a sufficient network, not a complete network, perhaps, but a sufficient network of these Loran stations, which means long-range navigational aid, may be established so that our naval and land air and sea forces may have these aids available to them on instant notice in the event it is necessary for the United States to engage in any military operation or undertaking. It would be a very sad day indeed if all these aids were done away with, because they are aids to the national defense. I want to see a practical peacetime network of Loran stations operated and maintained—mostly for the purpose of maintaining in regular operation a system that would be badly needed if we were attacked or even threatened. Loran has saved many an otherwise lost pilot and his ship and crew.

(Mr. HINSHAW asked and was given permission to revise and extend his remarks.)

Mr. GARY. Mr. Chairman, I yield 10 minutes to the gentleman from Tennessee [Mr. GORE].

Mr. GORE. Mr. Chairman, I should like first to address my remarks to the bogus economy claimed for this bill. I find a very interesting statement in the report of the committee. I call it interesting because when you review the facts you must wonder, and it arouses great interest, why such a statement would be in the report, as one of the reasons if not the main reason why the committee undertook to place a low guess on the amount of tax refunds that would be made next year and call that economy. I would have no objection to the committee's guessing if it had not written into the bill a limitation on the amount of tax refunds that could be made. As one, I say, if not the principal reason for this, the committee says on page 16 of the report:

Coupled with the expectation of several million less taxpayers filing as a result of prospective changes in the tax laws, it is felt that the reduced figure would more nearly approximate the amount required for these rebates than the Bureau's estimate therefor.

I take it the committee means by this that it expects quite a sizable reduction in taxes later. Indeed, it says, "coupled with the expectation of several million less taxpayers." Now, how would that operate?

Out of my pay check, from the check of the automobile workers, the factory employee, the chain-store grocery clerk, out of the pay-rolls of the workers of the United States of America, there are being withheld now taxes—withholding taxes. Those taxes are not being withheld at the rate which this committee expects to be written some time later; not at all, Mr. Chairman. The withholding taxes are being applied to the pay rolls at the present legal rate of taxation. So what will be the result if later on this year we reduce taxes? Is not the result obvious? It will result in larger claims for refunds, result in larger refunds rather than less. Indeed, I called the Bureau of Internal Revenue and asked what effect reduced taxes, a 20-percent reduction in taxes, would have on tax refunds. After some calculation they gave me the estimate that it would result in an additional \$1,000,000,000 of tax refunds during the next fiscal year. Therefore, I wondered and, as I say, that is why I find this statement interesting; why it is that because of reduced taxes there will be less refunds. They say there will be several million less taxpayers. That means several million people who are now paying taxes will not be subject to taxes. Do you think those people are not going to claim refunds? Are you going to say in your tax bill that they are not entitled to refunds?

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. GORE. I yield.

Mr. HINSHAW. I am curious to know why such an item as tax refunds should be considered as an expense to the Government. Certainly, the Government does not spend it in any way. It seems to me it is just giving back to the taxpayer what he paid in. It is not, in

my view, properly a budget item and I wonder why it is in the bill at all.

Mr. GORE. I thank the gentleman for his contribution. He has stated better than I and illustrates better than I have the sham quality of this so-called economy. The gentleman is correct. This does not save one penny. Legal tax refunds will be made, no more, no less. It is not an expenditure of Government. If you and I overpay our taxes, the overpayment belongs to us under the law of the land.

Mr. HINSHAW. I think so, too.

Mr. GORE. Then to say that we are saving the taxpayers' money by placing a limit upon the amount of refunds which the Treasury can make is, I say, spurious.

Mr. HINSHAW. That may be, but at the same time it is in the President's budget. I do not see why it should be in anybody's budget. It is not a budgetary item, as I see it. It is not something that the Government is spending money for.

Mr. GORE. It is a disbursement from the Treasury.

Mr. HINSHAW. I suppose that is so.

Mr. GORE. A tax refund represents a disbursement from the Treasury. Of course, the Treasury can make no disbursement without the authorization of the Congress. May I point out to the gentleman the history of this amendment and procedure? For quite a number of years the appropriation bills did carry specific appropriations for tax refunds, but it became obvious to the Congress and to the fiscal authorities of the Government that it was impractical after the enactment of the withholding tax law. Then it was that many million taxpayers had a claim for refund. It then resulted in 1 year, I believe, Congress passed four deficiency appropriation bills to make it possible for the Treasury to make refunds. Therefore they adopted the practice of authorizing the Treasury and directing it to make refunds of taxes promptly in whatever amount the taxpayers were entitled to refunds.

I intend to offer an amendment tomorrow which will direct the Treasury to make prompt tax refunds. I am going to do that for two reasons. There are many small taxpayers who will have a claim for tax refund. These taxpayers need their money. I see no reason why Congress should prolong the time for paying these refunds to which the taxpayers are entitled. I think they should be made promptly. The second reason is I want to shorten the period the Government is required to pay 6 percent interest on refunds.

Mr. HINSHAW. I suggest at the same time that it is very difficult to anticipate in advance what the tax refunds may be, and very difficult to anticipate in advance how many of these black-market operators who did business in a cigar box will be caught and caused to pay up the proportionate taxes that they should have paid and which they did not pay. It is one of those things that you have to draw out of the air, it seems to me. I do not see how you can do any figuring on it.

Mr. GORE. By experience and careful analysis the Treasury Department can

make calculations and estimates. As the gentleman from Missouri [Mr. CANNON] said earlier today, their estimate of the amount of refunds was somewhat smaller in 1946 than actually resulted. The same was true the year before. I went down to see them today and I asked the Commissioner, in the light of the facts today, what he thought the tax refunds for the next fiscal year would be. He said he thought the estimate they gave to the budget was fairly close but, if anything, it was too conservative. Why is that true?

The CHAIRMAN. The time of the gentleman from Tennessee [Mr. GORE] has again expired.

Mr. GARY. Mr. Chairman, I yield the gentleman 10 additional minutes.

Mr. GORE. Every time we have a prolonged strike in the country it results in more tax refunds. When there is a recession in some major field of employment it results in more tax refunds, because the withholding tax provision and rate applies to the wages which have already been earned. The total tax liability is calculated, as you know, of course, upon total annual income.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. GORE. I yield to the gentleman from California.

Mr. HINSHAW. Does not the gentleman think it is up to us to get everybody busy and keep them that way so that we will get more taxes instead of less?

Mr. GORE. I was a supporter of the full-employment bill last year, and I am a supporter of programs now to keep this country on a going economy. As a matter of fact, I do not see how we can afford to allow it otherwise, because if this country ever goes into a depression like we had before and the national income falls to such a low level that our going expense of Government, what with our war-debt charges, veterans' programs, national defense, takes everything everybody makes, then our whole economy is gone.

Mr. HINSHAW. I agree with the gentleman completely.

Mr. GORE. I am delighted to have the fine and able and influential support of the gentleman from California and I will loom forward to his assistance tomorrow.

Mr. HINSHAW. I did not promise the gentleman any assistance tomorrow but I agreed with the gentleman's last statement which he made, that if the country goes to the dogs it has gone to the dogs.

Mr. GORE. I am delighted to know that one gentleman on that side is being a little careful with his commitments.

Mr. EBERHARTER. Mr. Chairman, will the gentleman yield?

Mr. GORE. I yield.

Mr. EBERHARTER. In the matter of estimates, I had the figures last week. However, I do not remember them exactly, but I think the President estimated the tax refunds for 1946 would be somewhere in the neighborhood of a little over \$3,000,000,000. The payments were actually about \$3,000,000,000. In other words, the Treasury Department estimated within about \$50,000,000 on a figure as large as \$3,000,000,000. So that they can really do it. I also want to call

attention to the fact that many of these refunds are necessary by reason of the excess profits income refund provision of the law. All of those claims have not been settled yet, and that is the reason that there will necessarily be a large amount of them to be paid.

Mr. GORE. Is the gentleman referring to the carry-back provisions?

Mr. EBERHARTER. The carry-back and carry-forward provisions. Then, there is another item which this committee has not taken into consideration. There are many billions of dollars of claims in the Treasury Department right now under section 722 of the Internal Revenue Code, which the Treasury Department has not passed upon; has not even commenced to consider. They set up a special counsel in order to develop procedure in order to settle those claims. Very few of them have been settled. Those claims have been considered which are for less than \$100,000. All claims of more than \$100,000 have not been considered by the Treasury Department or the special counsel set up. So we have got those to look forward to when it comes to making calculations insofar as saving the taxpayer's money and setting up a strait-jacket budget is concerned.

Mr. GORE. I will point out to the gentleman one other provision of law which the Congress enacted in the war years, and that is this amortization of plant provision. Some of those claims have not been settled. And I want to point out further to the gentleman that whenever those claims are adjudicated, at whatever amount is determined, we are required to refund, the amount will bear 6 percent interest. If somebody else does not, I expect to offer an amendment tomorrow limiting this appropriation to the payment of a lower interest, and I expect to limit it far below the 6-percent rate.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. GORE. I yield.

Mr. ALBERT. Does not the gentleman believe it would be wise before criticizing this \$800,000,000 item to find out whether the majority party intends to include it in their promised \$6,000,000,000 Budget cut? Is this a part of the Budget cut or not, this \$800,000,000?

Mr. GORE. I yield to the distinguished chairman of the subcommittee to answer the able young gentleman's question, a pertinent one.

Mr. DIRKSEN. I will answer that after a while.

Mr. ALBERT. I should like to have the answer now.

Mr. CANFIELD. The President included that item in his estimate of expenditures. It is included here.

Mr. GORE. Then it is a part of the proposed \$6,000,000,000 saving. It is a bogus part, my friend.

I understood from the previous remarks of the gentleman from Illinois that he was going to undertake to show that there was some legerdemain within the Treasury Department to make a larger amount of the refunds come due within the next fiscal year. I do not know upon what the gentleman intends to base that argument. I can assure him, however, that there is no basis for it. In 1945 there was a tax refund of \$904,000,000.

In the fiscal year 1946 there was a tax refund of \$3,310,000,000. In the fiscal year 1947 it is anticipated that there will be a refund of \$2,108,000,000. As of March 7, as the daily Treasury statement will show, already \$1,200,000,000 has been disbursed for tax refunds.

It is estimated in the budget that for the fiscal year 1948 there will be \$2,031,000,000 tax refund.

If the gentleman intends to cite the fact that 1946 was higher than either of the other 4 years I should like to point out that then we had a pyramiding of the carry-back and the amortization provisions of the tax law.

I wish now to come to the question of appropriations for the investigative staff of the Bureau of Internal Revenue. I know of course the statement is frequently made that the war is over and we ought to collect taxes more cheaply. The war is over so far as the shooting is concerned, but as pointed out by the distinguished gentleman from Pennsylvania, a great many provisions of the tax law resulting from the war and growing out of the war have brought about thousands of claims, many large claims now remaining undetermined in the Bureau of Internal Revenue. To cut down on the staff determining the validity of these claims would prolong the period during which they will draw 6 percent interest. We passed a deficiency bill in the House the other day and left out a provision necessary to make rapid determinations before April 15 of refunds. You will find a letter from the Secretary of the Treasury setting this out on page 1768 of the RECORD. It was placed in the RECORD by the chairman of the Appropriations Committee of another body.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. GARY. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. GORE. Mr. Chairman, the law on refunds provides that the Government shall have a grace period of 30 days. The taxes being due on March 15, if the refund check is mailed out before April 15 there is no interest on the amount during that 30-day period of grace for the Government; therefore it makes necessary that very rapid determinations be made in order to save that 6 percent interest and, mind you, that is no small figure. It is estimated that the item of interest will this year amount to \$80,000,000, a very sizable sum, more than five times the amount you reduce the Post Office Department. Indeed, it represents a sum equal to the total savings you made in the entire Treasury Department appropriation bill.

The gentleman from Illinois said that in cutting down on the Bureau of Internal Revenue in the tax-collecting appropriation he did not intend that the field staff be reduced. I notice here in the report, page 14: "It is not contemplated, however, that there should be any drastic curtailment in the servicing functions of the Bureau."

Just in which bucket on which shoulder do you have the water, or are you carrying water on both shoulders?

Mr. DIRKSEN. The gentleman better read that again.

Mr. GORE. Does the gentleman want it read again?

Mr. DIRKSEN. No. Read the entire context.

Mr. GORE. The whole page or the sentence?

Mr. DIRKSEN. No; that portion which relates to enforcement activities.

Mr. GORE. That is on one page and this sentence is on the other page, but they both apply to the same cut. That is the reason I am pointing out the inconsistency of the gentleman's statement. As a matter of fact the reduction in personnel which will inevitably result from this cut, if it stands, is a reduction in the investigatory staff. I would like to point out with what result investigations have been made in recent months. But before doing that, I would like to say to the Chairman and members of this Committee that, in my studied opinion, there are many millions of dollars owed the Government in taxes now which the Bureau of Internal Revenue is not collecting. There are many people who have never filed a return, who are obligated by the laws of the land to pay taxes on the income they have received. With the funds which the Bureau of Internal Revenue has now, it is only able to investigate 3 percent of the returns filed, to say nothing of these people who have not filed any returns but who should have. You know, we have a program of balancing the budget, and I am wholeheartedly for it and have so said publicly many times, but you cannot balance the budget by shooting the tax collectors.

During the fiscal year 1945, with an average of 19,000 enforcement officers, the Government collected over \$1,000,000,000 which they would not have collected had these investigations not been made. In 1944, to go back a year further, with only 16,000 enforcement officers, the Government collected \$814,000,000 which it would not have collected otherwise. In 1946, the collecting, enforcement officer, and investigating staff was increased to 24,000. With what result? The Government collected \$1,478,000,000 which it would not have collected had it not been for the investigations. Let us not be penny foolish.

(Mr. GORE asked and was given permission to revise and extend his remarks.)

Mr. CANFIELD. Mr. Chairman, I yield 20 minutes to the gentleman from Illinois [Mr. DIRKSEN], a member of the committee.

[Mr. DIRKSEN addressed the Committee. His remarks will appear hereafter in the Appendix.]

Mr. GARY. Mr. Chairman, I yield such time as he may desire to the gentleman from Texas [Mr. PATMAN].

[Mr. PATMAN addressed the Committee. His remarks appear in the Appendix of today's RECORD.]

The CHAIRMAN. General debate having been concluded the Clerk will read the bill for amendment.

The Clerk read down to and including line 7, page 1.

Mr. CANFIELD. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. MICHENER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 2436) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1948, and for other purposes, had come to no resolution thereon.

EXTENSION OF REMARKS

Mr. JOHNSON of California (at the request of Mr. CANFIELD) was given permission to extend his remarks in the RECORD and include an editorial.

Mr. ANDERSON of California (at the request of Mr. CANFIELD) was granted permission to extend his remarks in the RECORD and include an address by the Secretary of the Navy.

Mr. PLUMLEY (at the request of Mr. CANFIELD) was granted permission to extend his remarks in the Appendix of the RECORD.

Mr. STEFAN (at the request of Mr. CANFIELD) was granted permission to extend his own remarks in the RECORD.

Mr. DIRKSEN asked and was granted permission to revise and extend the remarks he made in Committee of the Whole.

PERMISSION TO FILE MINORITY VIEWS

Mr. MICHENER. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. SMITH] may have until midnight tonight to file minority views on the bill H. R. 2413.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. MICHENER]?

There was no objection.

EXTENSION OF REMARKS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that in connection with the remarks I made in Committee of the Whole this afternoon I may include a letter from Mr. Creedon, Housing Expediter, a summary of conclusions reached by veterans' organizations, press releases by the major veteran organizations on the housing question, and an address delivered by Mr. Creedon on the Housing Act.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. PATMAN]?

There was no objection.

Mr. SARBACHER asked and was given permission to extend his remarks in the RECORD and include a copy of the resolution adopted by the Philadelphia Sports Writers Association.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—OFFICE OF SELECTIVE SERVICE RECORDS (H. DOC. NO. 168)

The SPEAKER laid before the House the following message from the President of the United States which was read by the Clerk and, together with accompanying papers, was referred to the Committee on Armed Services and ordered printed:

To the Congress of the United States:

In my message of March 3, 1947, to the Congress, I recommended that there

be no extension of the Selective Training and Service Act at this time. Because I am confident that the Congress and the Nation stand ready both now and in the future to take such action as may be necessary to assure the security of the Nation, and because there are now reasonably good prospects of maintaining at adequate strength the Army and Navy without resort to selective service, I believe we can liquidate the Selective Service System, except for its records. Since the act expires on March 31, 1947, we are faced with the immediate need of providing for the consolidation and preservation of records and providing for liquidation of the Selective Service System.

In order to provide for the orderly and expeditious liquidation of the Selective Service System, and to take care of storage and servicing of the records of the System, I recommend the establishment of an Office of Selective Service Records. It will be the duty of this office to begin immediately the liquidation of all local board offices, and to centralize at suitable locations in each State the valuable accumulation of records for safekeeping, in the event such records are needed in the future. It would not be the part of wisdom to destroy such records until their value has disappeared.

In the immediate future there are certain values to the veterans themselves and to the Nation in retaining and servicing the records apart from reasons of national security. During the last 6 months of 1946, the Selective Service System complied with more than 1,000,000 requests from State and Federal agencies for information about veterans. A large number of these requests were in the interest of veterans as individuals. It is desirable to continue to make use of the records in this manner, while at the same time assuring that the confidential nature of these records should not be violated.

I recommend, therefore, the enactment of a law providing for:

(1) The establishment of an Office of Selective Service Records which will (a) liquidate the Selective Service System, and (b) establish and maintain Federal record depots in the several States, the District of Columbia, and the Territories and possessions of the United States;

(2) Transfer to the Office of Selective Service Records all property, records, personnel, and unexpended balances of appropriations of the Selective Service System; and

(3) The continuance of the confidential nature of selective service records transferred to the Office of Selective Service Records with a provision for penalties for violations thereof.

HARRY S. TRUMAN.

THE WHITE HOUSE, March 10, 1947.

SPECIAL ORDER

The SPEAKER. Under previous order of the House, the gentleman from California [Mr. HOLIFIELD] is recognized for 30 minutes.

Mr. HOLIFIELD. Mr. Speaker, I asked for this 30 minutes to present some remarks on the confirmation of Mr. Lilienthal, to comment on the misuse of the word "communism" as a smear tech-

nique, and to present certain basic truths on atomic energy. However, due to the lateness of the hour, I am going to ask to be allowed to extend my remarks at this point and to include at certain points in my address certain corollary information:

First. A list of witnesses testifying in confirmation of and in opposition to Mr. Lilienthal.

Second. An excerpt from Mr. Lilienthal's testimony; and

Third. Some basic facts on atomic energy as compiled by the National Committee on Atomic Energy.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

LILIENTHAL—COMMUNISM SMEAR TECHNIQUE AND BASIC TRUTHS ON ATOMIC ENERGY

Mr. HOLIFIELD. Mr. Speaker, the use of the two atomic bombs on August 6 and 9, 1945, over the two industrial cities of Japan, Hiroshima and Nagasaki, brought to the realization of the people of the world the fact that a new and terrible type of warfare was possible. A destructive element had been brought into play which was a thousandfold greater than any previous element used in warfare between nations. During the year which followed, thoughtful men became greatly concerned with the question of how this great force could be controlled. It was obvious that two phases of control would be necessary; first, control on the domestic plane in each nation; and second international control which to be effective, would, of necessity, require the cooperation and participation of every nation in the world which possessed industrial facilities and scientific knowledge. When the Seventy-ninth Congress convened on September 5, just 1 day after the formal surrender of the Japanese, a bill was presented in the House and in the Senate to establish methods of atomic control and procedure on the domestic level. This bill, H. R. 4566, commonly called the May-Johnson bill, was referred to the House Committee on Military Affairs, of which I was a member. Only perfunctory hearings were held, lasting a total of 3 or 4 days. With the exception of two scientists, Dr. Leo Szilard and Dr. Harold Anderson, both physicists who had important duties to perform in the development of the bomb, the balance of the witnesses were proponents of the bill. The bill was reported favorably out of committee despite the protests of the gentleman from Illinois, Congressman MELVIN PRICE, and myself. The gentleman from Illinois, Congressman PRICE, and I prepared the dissenting report which was filed against the bill. The May-Johnson bill languished in the Rules Committee until the following June 1946. At that time S. 1717 was passed. It set up a special committee for the proper consideration of this important subject. Extensive hearings were held extending over a period of 8 months. The most important scientists, industrialists, educational and civic leaders in the United States were given ample opportunity to discuss all phases of the complicated legislation.

As a result of this very proper handling of this important legislative matter, a bill was reported unanimously.

It is interesting to note that among the provisions which were not contained in the May-Johnson bill, but were included in S. 1717, were principles which Congressman PRICE and I had recommended in our dissenting report some 8 months previous. These principles were: First, the Commission should be composed of full time, well-paid members; second, the Administrator should be a civilian; and, third, the Government should be the exclusive producer and owner of plutonium and other fissionable materials. Senate bill 1717 was finally passed by both Houses and signed by the President and is now the law which establishes our policy in regard to domestic use of atomic energy. Pursuant to the conditions contained in this bill, the President appointed a five-man civilian Commission. These men are outstanding Americans. They have outstanding qualifications. I submit here a list of their names:

Summer T. Pike, businessman and broker, formerly of Stone and Webster in Boston and with Wall Street's Pomeroy & Co., having more lately served as Republican member of the Securities and Exchange Commission until he resigned a year ago.

William W. Waymack, editor of the Republican Des Moines Register and Tribune; and member of the board of directors of the Chicago Federal Reserve Bank.

Lewis L. Strauss, who rose to rear admiral in the Naval Reserve and who was a partner in Kuhn, Loeb & Co., bankers.

Robert F. Bacher, physicist, formerly head of Nuclear Research at Cornell University and one of the natural scientists who assembled the first atomic bomb, and David E. Lilienthal, former Administrative Director of TVA.

Mr. Lilienthal was appointed Chairman of the Atomic Energy Commission. The Commission was appointed on November 1, 1946. During the past 4 months, it has been busily engaged in acquainting itself with its duties and in formulating plans to comply with the legislation which Congress passed, Senate bill 1717.

It was assumed that the President's appointments would be approved without great delay in view of the fact that such outstanding personnel had been selected by the President and in view of the great urgency presented to the people of the United States by the discovery of atomic energy, and the necessity of further research and development of this great discovery. On June 1, the Army, which had been in charge of all atomic energy control, relinquished its jurisdiction of the great Manhattan project to this Commission, since January 1, 1947, therefore, the Atomic Energy Commission, although not formally approved, has been in actual charge of this \$2,500,000,000 nationally owned project. They have had access to all the secret facilities and information regarding this project. They have had the responsibility of management of this great project and of maintaining security of information regarding the atomic



DIGEST OF
CONGRESSIONAL PROCEEDINGS
OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
Legislative Reports and Service Section
(For Department staff only)

Issued March 12, 1947
For actions of March 11, 1947
80th-1st, No. 46

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HIGHLIGHTS: House passed Treasury-Post Office appropriation bill; rejected amendment to eliminate restrictions on prices of typewriters purchased by Government. House agreed to conference report on urgent deficiency appropriation bill, which rescinds various USDA items. Rep. Flannagan introduced bill to establish national fertilizer program.

HOUSE

1. **TREASURY-POST OFFICE APPROPRIATION BILL.** Passed, 387-0, without amendment this bill, H. R. 2436 (pp. 1980-92). Rejected, 11-92, an amendment by Rep. Miller, Conn., to strike out the restrictions on prices in the purchasing of Government typewriters (pp. 1987-9). Rep. Albert, Okla., expressed regret at the reduction in the amount for rural-delivery postal service (p. 1991).
2. **URGENT DEFICIENCY APPROPRIATION BILL.** Agreed, 342-49, to the conference report on this bill, H. R. 1968, which rescinds various USDA appropriations (pp. 1974-9).
3. **PERSONNEL.** Rep. Rankin, Miss., spoke in favor of eliminating communists from the Government (p. 1973).

SENATE

NOT IN SESSION. Next meeting Wed., Mar. 12.

BILLS INTRODUCED

4. **FERTILIZERS.** H.R. 2494, by Rep. Flannagan, Va., to provide for the establishment of a national soil fertility policy and program; to authorize the construction of certain fertilizer plants as a part of said program; to provide for the testing and demonstrating of fertilizer produced in such Government and cooperative plants on a Nation-wide scale; and to provide for the exploration of fertilizer resources on the public lands. To Agriculture Committee. (p. 1994.)
5. **CONSUMER CREDIT.** H.R. 2498, by Rep. Schwabe, Okla., to terminate existing consumer credit regulations prescribed by the Board of Governors of the Federal Reserve System. To Banking and Currency Committee. (p. 1994.)

ITEMS IN APPENDIX

6. **RURAL ELECTRIFICATION.** Rep. Poage, Tex., discussed the question of private utilities in the rural electrification field, mentioning particularly the situation of the Brazos River Transmission Electric Co-op, and urged the continuation of the REA program (pp. A1009-12).

7. SUGAR. Rep. Buchanan, Pa., inserted a N.Y. Times article favoring the continuation of sugar controls (p. A1029).
8. SCHOOL-LUNCH PROGRAM. Rep. Jackson, Wash., inserted a Wash. Congress of Parents and Teachers resolution urging the continuation of this program (p. A1014).
9. ST. LAWRENCE SEAWAY. Rep. Kilburn, N.Y., inserted a N.Y. Rural Electric Co-op Assoc. resolution favoring this project (p. A1012).
10. FOREIGN TRADE. Rep. Kefauver, Tenn., inserted his recent address before the Institute on World Organization favoring the continuation of the reciprocal trade agreements program (pp. A1021-2).
Rep. Bryson, S.C., inserted Col. C.B. Smith's letter urging action by the U.S. to keep world markets free and open to trade (pp. A1026-7).

COMMITTEE HEARINGS Released by G.P.O.

11. GOVERNMENT CAFETERIAS. Pursuant to S. Res. 42, Pt. 3, Cafeterias in Government Buildings. Senate Civil Service Committee.

- o -

COMMITTEE-HEARINGS ANNOUNCEMENTS for Mar. 12: S. Agriculture, farm-labor program and CCC continuation (ex.); H. Agriculture, wool program; H. Banking and Currency, sugar controls; H. Expenditures in the Executive Departments, surplus property investigation; S. Civil Service, Government cafeterias; S. Small Business, newsprint shortage; H. Appropriations, deficiency (ex.). For Mar. 13: S. Small Business, newsprint shortage (Brannan, Watts, et al). For Mar. 17: H. Judiciary, review of orders under Packers and Stockyards Act.

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For supplemental information and copies of legislative material referred to, call Ext. 4654, or send to Room 113 Adm. Arrangements may be made to be kept advised, routinely, of developments on any particular bill.

- oDo -

Mr. TABER. I yield the gentleman one additional minute.

Mr. CANNON. Mr. Speaker, will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from Missouri.

Mr. CANNON. I should like to call the attention of my distinguished—

Mr. KEEFE. "The admiral from Wisconsin," as the gentleman called him one day.

Mr. CANNON. My distinguished and able and trusted friend from Wisconsin. He speaks of the President as "my" President. I trust he means "our" President.

Mr. KEEFE. I mean he is my President, and I so stated. He is going to come here tomorrow and tell you the truth, and you had better get ready for it, instead of standing up here and carrying on these piddling politics while the country is collapsing around our ears and while the whole world threatens to collapse. I am sick of it as far as I am concerned. We had better get along with our business instead of having these little piddling arguments while the whole world burns and is looking for action.

Mr. CANNON. There are 10 minutes remaining of the hour. I ask the gentleman from New York to yield me 5 minutes of the 10.

Mr. TABER. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. JAVITS].

Mr. JAVITS. Mr. Speaker, I rise to draw the attention of my colleagues to the critical necessity for continuing adequate rent-control administration and Federal rent control until June 30, 1948. This job must be carried on effectively, now, until there is new legislation turning it over to an agency other than OPA. A break-down at this time will incur consequences of the utmost gravity to my constituents and to millions of other Americans. After World War I rents shot up 50 to 75 percent and evictions multiplied, because there were no controls. With the cost of living now over 60 percent higher than in 1939, the people of moderate income cannot stand the strain. It would be felt in a galloping inflation and in labor strife.

Mr. Speaker, as far as housing is concerned, the war is still on. We may be reducing here several million dollars for OPA over what the Senate provided, but I do not believe that my constituents can afford that kind of economy. This is a regrettable conclusion for me as there are other provisions of this report which I favor very much.

Mr. TABER. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. MARCANTONIO. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] Two hundred and two Members are present, not a quorum.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 342, nays 49, not voting 41, as follows:

[Roll No. 19]

YEAS—342

| | | |
|------------------|-----------------|------------------|
| Abernethy, | Devitt | Jones, N. C. |
| Albert | D'Ewart | Jones, Ohio |
| Allen, Calif. | Dirksen | Jones, Wash. |
| Allen, Ill. | Dolliver | Jonkman |
| Allen, La. | Domengeaux | Judd |
| Almond | Dondero | Kean |
| Andersen, | Dorn | Kearney |
| H. Carl | Doughton | Kearns |
| Anderson, Calif. | Drewry | Keating |
| Andersen, | Durham | Kee |
| August H. | Eaton | Keefe |
| Andrews, Ala. | Elliott | Kerr |
| Andrews, N. Y. | Ellis | Kersten, Wis. |
| Angell | Ellsworth | Kilburn |
| Arends | Elsaesser | Kilday |
| Arnold | Elston | Kunkel |
| Auchincloss | Engel, Mich. | Landis |
| Bakewell | Engle, Calif. | Latham |
| Banta | Evins | Lea |
| Barrett | Fallon | LeCompte |
| Bates, Ky. | Fenton | Lemke |
| Battle | Fernandez | Lewis |
| Beall | Fisher | Lodge |
| Beckworth | Flannagan | Love |
| Bender | Fletcher | Lucas |
| Bennett, Mich. | Folger | Lusk |
| Bennett, Mo. | Foote | Lyle |
| Bishop | Forand | McConnell |
| Blackney | Fulton | McCowan |
| Bland | Gamble | McDonough |
| Boggs, Del. | Gary | McDowell |
| Boggs, La. | Gathings | McGarvey |
| Bolton | Gavin | McGregor |
| Bonner | Geahart | McMahon |
| Boykin | Gifford | McMillan, S. C. |
| Bradley, Calif. | Gillette | McMillen, Ill. |
| Bradley, Mich. | Gillie | MacKinnon |
| Bramblett | Goff | Macy |
| Brehm | Goodwin | Mahon |
| Brooks | Gore | Maloney |
| Brophy | Gossett | Manasco |
| Brown, Ga. | Graham | Mansfield, Tex. |
| Brown, Ohio | Grant, Ala. | Martin, Iowa |
| Bryson | Grant, Ind. | Mason |
| Buck | Gregory | Mathews |
| Buffett | Griffiths | Mead, Md. |
| Burke | Gross | Merrow |
| Burleson | Gwynn, N. Y. | Meyer |
| Busbey | Gwynne, Iowa | Michener |
| Butler | Hagen | Miller, Calif. |
| Byrnes, Wis. | Hale | Miller, Conn. |
| Camp | Hall | Miller, Md. |
| Canfield | Edwin Arthur | Miller, Nebr. |
| Cannon | Hall, | Mills |
| Carson | Leonard W. | Mitchell |
| Case, N. J. | Halleck | Monroney |
| Case, S. Dak. | Hand | Morris |
| Chadwick | Hardy | Morrison |
| Chelf | Harris | Morton |
| Chenoweth | Harrison | Muhlenberg |
| Chiperfield | Hays | Mundt |
| Church | Hébert | Murray, Tenn. |
| Clason | Hedrick | Murray, Wis. |
| Clements | Hendricks | Nixon |
| Clevenger | Herter | Nodar |
| Clippinger | Heseltun | Norblad |
| Coffin | Hill | Norman |
| Cole, Kans. | Hinshaw | O'Hara |
| Cole, Mo. | Hobbs | O'Konski |
| Colmer | Hoeven | Owens |
| Combs | Hoffman | Pace |
| Cooley | Holmes | Passman |
| Cooper | Hope | Patman |
| Corbett | Horan | Patterson |
| Cotton | Howell | Peden |
| Coudert | Hull | Peterson |
| Courtney | Jackson, Calif. | Phillips, Calif. |
| Cox | Jarman | Phillips, Tenn. |
| Crawford | Jenison | Pickett |
| Crow | Jenkins, Ohio | Ploeser |
| Cunningham | Jennings | Plumley |
| Curtis | Jensen | Poage |
| Dague | Johnson, Calif. | Potts |
| D'Alesandro | Johnson, Ill. | Poulson |
| Davis, Ga. | Johnson, Ind. | Preston |
| Davis, Tenn. | Johnson, Okla. | Price, Fla. |
| Dawson, Utah | Johnson, Tex. | Priest |
| Deane | Jones, Ala. | Rains |

| | | |
|----------------|---------------|--------------|
| Ramey | Scott, Hardie | Thomas, Tex. |
| Rankin | Scott, | Thomason |
| Rayburn | Hugh D., Jr. | Tibbott |
| Redden | Scrivner | Tollefson |
| Reed, N. Y. | Seely-Brown | Towe |
| Reeves | Shafer | Trimble |
| Rich | Sheppard | Twyman |
| Richards | Sikes | Vail |
| Riehlman | Simpson, Ill. | Van Zandt |
| Riley | Simpson, Pa. | Vinson |
| Rivers | Smith, Kans. | Vorvys |
| Rizley | Smith, Maine | Vursell |
| Robertson | Smith, Ohio | Wadsworth |
| Rohsion | Smith, Wis. | Weichel |
| Rockwell | Snyder | West |
| Rogers, Fla. | Springer | Wheeler |
| Rogers, Mass. | Stanley | Whitten |
| Rohrbough | Stefan | Whittington |
| Ross | Stevenson | Williams |
| Russell | Stigler | Wilson, Ind. |
| Sadlak | Stockman | Wilson, Tex. |
| St. George | Stratton | Winstead |
| Sanborn | Sundstrom | Wolcott |
| Sarbacher | Taber | Wolverton |
| Sasscer | Talle | Worley |
| Schwabe, Mo. | Taylor | Youngblood |
| Schwabe, Okla. | Teague | Zimmerman |
| Scoblick | Thomas, N. J. | |

NAYS—49

| | | |
|----------------|----------------|-------------|
| Blatnik | Havenner | Marcantonio |
| Bloom | Holfield | Morgan |
| Buchanan | Huber | Murdoch |
| Carroll | Jackson, Wash. | O'Brien |
| Celler | Javits | O'Toole |
| Crosser | Karsten, Mo. | Philbin |
| Delaney | Kefauver | Powell |
| Dingell | Kennedy | Price, Ill. |
| Donohue | Kirwan | Rabin |
| Douglas | Klein | Rayfiel |
| Eberharter | Lane | Rooney |
| Fogarty | Lanham | Sabath |
| Gordon | Lynch | Sadowski |
| Gorski | McCormack | Smathers |
| Granger | Madden | Spence |
| Harless, Ariz. | Mansfield, | Walter |
| Hart | Mont. | |

NOT VOTING—41

| | | |
|--------------|---------------|--------------|
| Barden | Gallagher | Meade, Ky. |
| Bates, Mass. | Gerlach | Norrell |
| Bell | Harness, Ind. | Norton |
| Buckley | Hartley | Pfeifer |
| Bulwinkle | Heffernan | Reed, Ill. |
| Byrne, N. Y. | Hess | Rees |
| Chapman | Jenkins, Pa. | Short |
| Clark | Kelley | Smith, Va. |
| Cole, N. Y. | Keogh | Somers |
| Cravens | King | Welch |
| Dawson, Ill. | Knutson | Wigglesworth |
| Feighan | Larcade | Wood |
| Fellows | LeFevre | Woodruff |
| Fuller | Lesinski | |

So the conference report was agreed to. The Clerk announced the following pairs:

On this vote:

Mr. LeFevre for, with Mr. Dawson of Illinois against.

Mr. Fuller for, with Mr. Keogh against.

Mr. Hess for, with Mr. Kelley against.

Mr. Wood for, with Mr. Pfeifer against.

Mr. Hartley for, with Mr. Byrne of New York against.

Mr. Wigglesworth for, with Mr. Heffernan against.

Mr. Woodruff for, with Mr. King against.

General pairs until further notice:

Mr. Bates of Massachusetts with Mr. Feighan.

Mr. Knutson with Mrs. Norton.

Mr. Harness of Indiana with Mr. Larcade.

Mr. Fellows with Mr. Lesinski.

Mr. Gallagher with Mr. Somers.

Mr. Short with Mr. Barden.

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

PERSONAL ANNOUNCEMENT

Mr. FLANNAGAN. Mr. Speaker, I desire to announce the absence of the gen-

tleman from Virginia [Mr. SMITH] due to a death in his family, and state that he will be absent during the remainder of the week.

EXTENSION OF REMARKS

Mr. CANNON. Mr. Speaker, I ask unanimous consent that the gentleman from Oklahoma [Mr. ALBERT] and the gentleman from Texas [Mr. BECKWORTH] be permitted to extend their remarks in the RECORD immediately following the remarks of the gentleman from Oklahoma [Mr. JOHNSON].

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. COLMER asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. BRYSON asked and was given permission to extend his remarks in the RECORD and include a speech by Colonel Smith and a speech delivered by himself.

Mr. PLUMLEY asked and was given permission to extend his remarks in the RECORD.

Mr. BRADLEY of Michigan asked and was given permission to extend his remarks in the RECORD and include some correspondence.

EDUCATIONAL AND RECREATIONAL FACILITIES

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency be discharged from further consideration of the bill (H. R. 2473) to authorize the transfer without charge to the States and their political subdivisions of all interest of the United States in educational and recreational facilities acquired under the Act of October 14, 1940, as amended, and that the bill be referred to the Committee on Public Works.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

TREASURY AND POST OFFICE DEPARTMENTS APPROPRIATION BILL, 1948

Mr. CANFIELD. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 2436) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1948, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 2436, with Mr. MICHENER in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday the first paragraph of the bill had been read.

The Clerk will read.

The Clerk read as follows:

Salaries: For personal services in the District of Columbia, including the operating force of the Treasury Building, the Treasury Annex, the Liberty Loan Building, the Auditors' Building, and the west and south annexes thereof, \$650,000.

Mr. RANKIN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, on yesterday while the gentleman from Virginia [Mr. GARY] was speaking, I interrupted him to ask about the funds for the extension of rural mail routes. I told him it was my understanding that a large number of these extensions had been provided and that no funds were available to put those extensions into operation.

After the Congress adjourned I got in touch with the Post Office Department and was informed that those shortages could not be covered by this bill, because this is the appropriation measure for the fiscal year 1948, and funds must be provided in a deficiency bill if these short extensions in the various sections of the country are to be made.

I make this statement because of the fact that the debate on yesterday would leave the impression that these deficiencies could be taken care of by amendment to the present bill. But that is not the case. These funds must be provided, if they are to be provided at all, in a deficiency bill.

I call this proposition to the attention of the Members to clear the record on that point.

Mr. EBERHARTER. Mr. Chairman, will the gentleman yield?

Does the gentleman mean the funds for the period from now until June 30 of this year?

Mr. RANKIN. That is right.

Mr. EBERHARTER. How about the regular funds for the fiscal year 1948? Are they provided for in this bill?

Mr. RANKIN. They told me they thought the funds provided in the present bill would be sufficient for the next fiscal year. If not, a deficiency bill could be brought in in the next session.

But all over this country, in every agricultural section, extensions of rural mail routes have been provided. They have been surveyed and approved, but the Department does not have the money to put them into operation.

So I just want to serve notice now that when the next deficiency bill comes before the House the distinguished gentleman from New York [Mr. TABER], chairman of the Committee on Appropriations, has promised me an opportunity to appear before the committee in favor of an item to take care of those extensions. My position has been, as you all know, that if we provide mail for one man, we should provide it for all. It is my contention that we should extend a mail route and a rural power line to every farmhouse in America. I will make only this limitation: I will say to every house that can be found by the tax gatherer in times of peace or that can be reached by the draft in time of war.

There is no reason for us to pinch pennies on rural mail routes and on rural electrification and then spend the billions of dollars that America is called upon to contribute to other sections of the world.

Nothing that I can think of will do more to strengthen this country than to provide mail service and electric power service to every farm home in this country.

I shall continue my efforts toward the attainment of that end.

The Clerk read as follows:

Refunding internal-revenue collections: For refunding internal-revenue collections, as provided by law, including the payment of claims for the prior fiscal years and payment of accounts arising under "Allowance or drawback (Internal Revenue)," "Redemption of stamps (Internal Revenue)," "Refunding legacy taxes, act of March 30, 1928," "Repayment of taxes on distilled spirits destroyed by casualty," and "Refunds and payments of processing and related taxes," \$1,231,000,000. *Provided*, That a report shall be made to Congress by internal-revenue districts and alphabetically arranged of all disbursements hereunder in excess of \$500 as required by section 3 of the act of May 29, 1928 (sec. 3776, I. R. C.), including the names of all persons and corporations to whom such payments are made, together with the amount paid to each.

Mr. GORE. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. GORE: On page 12, in line 20, strike out "\$1,231,000,000" and insert "There is hereby appropriated such amount as may be necessary for prompt payment of tax refunds."

Mr. CASE of South Dakota. Mr. Chairman, I reserve a point of order on the amendment.

The CHAIRMAN. The gentleman from Tennessee [Mr. GORE] is recognized for 5 minutes.

Mr. GORE. Mr. Chairman, withholding taxes are now being withheld from the pay rolls of 55,000,000 American citizens. Those taxes are being withheld not at the rates which some future tax bill may fix. Those taxes are being withheld at the rate of the present tax law.

The principal reason which the committee assigns for its guess that there will be less claim for tax refunds can be found on page 16 of the committee report. Please understand I am not endeavoring to criticize the members of the committee. They have undoubtedly done a conscientious job, and they worked hard. Nevertheless, it behooves the Members of the House to examine any innovation, to examine any guess, to determine for themselves the rightness of the course. I would like to read to you at least one of the reasons they give. They say: "Coupled with the expectation of several million less taxpayers filing as a result of prospective changes in the tax laws, it is felt that the reduced figure would more nearly approximate the amount required."

Let us see how that operates. There are 55,000,000 taxpayers from whom withholding taxes are now being withheld. If we cut 20 percent of them off what is the result? We do not decrease the number of claimants for tax refunds, we increase it. As a matter of fact, 30,500,000 taxpayers in the last fiscal year filed claims for refund; so we cannot escape the conclusion that the reasoning and the logic behind this statement is inaccurate. The very opposite will be the effect.

Through my amendment I am offering to put into the bill the language which has been in the bill since the enactment of the withholding tax law. Originally

the Appropriations Committee and the House wrote into appropriation bills specific amounts for tax refunds, but with the enactment of the withholding tax the claims became so large that it became an impractical procedure.

If we place this specific appropriation in the bill it not only serves as an appropriation but it operates as a limitation: The Treasury of the United States cannot make tax refunds in an amount larger than this figure which is \$800,000,000 below that which the Bureau of Internal Revenue estimates the tax refunds will be for the next fiscal year. Unless, therefore, the Congress passes another appropriation bill, a deficiency appropriation bill, sometime before the end of the fiscal year, we will tie the hands of the Bureau of Internal Revenue and prevent them from making prompt tax refunds to people who are entitled to them. With what result? The millions of small income taxpayers who have overpaid will not get prompt refunds of the money which they need, and the second result will be that we will just prolong the period during which 6-percent interest will have to be paid on these refunds.

The CHAIRMAN. The time of the gentleman from Tennessee has expired. Mr. CASE of South Dakota. Mr. Chairman, I withdraw my reservation of a point of order.

Mr. DIRKSEN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, instead of being content to examine the language of the report my good friend from Tennessee should have busied himself a little with the actual testimony that was taken on this item. I believe that would make it quite clear.

There was estimated for tax refunds in the President's budget \$2,031,000,000 for the fiscal year 1948. The committee, after taking testimony from the Commissioner of Internal Revenue, from the Chairman of the Excess Profits Tax Council, from Dr. Atkeson, who is one of the fiscal experts in the Treasury Department, and from the Alcohol Tax Unit, finally concluded that this amount could be very safely diminished on the basis of their own testimony. When I queried Dr. Atkeson I asked, "How did you arrive at this amount of \$2,031,000,000?" Then he began to give me figures and set forth the arithmetic for the estimate. I said, "Doctor, I do not want to know about arithmetic, I want to know what the theory is behind it." And when we got all through—you will find his answer on page 496 of the hearings—he said, "It is the best guess that we can make."

Now that is the Treasury Department speaking. When Mr. Hamel, chairman of the Profits Tax Council, who has been a practicing tax attorney for 25 years and once served as a member of the Board of Tax Appeals, came before the committee it was the same thing. He said, "It is the best guess we can make." But there was another answer to it that was highly intriguing. We finally discovered, and you will find it in the hearings, when all is said and done the Treasury did not even make the guess. The guess was made by the Bureau of

the Budget which is not only a fiscal arm, but in a sense one of the political arms of the Presidency. I said, "Perhaps our guess is as good as yours." He said, "Perhaps so."

Now then, it was not a guess after all. First, you will find that in this total item as disclosed on page 568 of the hearings you take off \$123,000,000. Treasury officers testified that if the excise-tax bill went through there were \$123,000,000 in this estimate that ought to be deducted. That is not the gentleman from Illinois, EVERETT DIRKSEN talking to you, that is the Treasury Department testifying before the committee. With respect to excess-profits refunds, I said to Mr. Hamel: "I suppose you get frivolous cases where people simply file and later on you discover there is no foundation to the case." He said, "Many of them." He said, "I did some missionary work in the country." You will find it recorded on pages 548 and 549 of the hearings. He said, "A great many cases have been withdrawn and one-half of all the cases have been disposed of." Since June of last year they allowed \$42,000,000 in refunds on excess profits and they have asked for \$420,000,000 in this bill for fiscal 1948.

There is a little something wrong with this kind of arithmetic. It becomes the responsibility of the subcommittee, having some knowledge of arithmetic, to come to certain conclusions. Budget officials have reached up and made a fine guess. Our friend from Tennessee proposes to make this an indefinite appropriation like it was and to leave it an open-ended amount. If you will examine the language of the bill you will discover that we made it a definite appropriation. We want them to come back and tell us at the end of this year or the beginning of the next fiscal year what they have done with the money.

I believe that the Congress, which has the power of the purse under the Constitution, is entitled to know what happens to money that goes out of the Treasury of the United States. Yet only one copy on refunds is filed with the Ways and Means Committee and I am frank to say to you we have not had a look at a single refund case to find out whether it was justified or not. So we made it a definite appropriation. We take their own figures, we take their own statement that there is going to be a diminution in the case load here, and I think we have treated them with great generosity in taking out only \$800,000,000.

It has been said that this is a phoney item. That word "phoney" was bandied about on this floor in committee yesterday. There was also talk about legislative duplicity. Let me say to you that the President of the United States carries all this in the expenditure budget for the fiscal year 1948. When we deal with a ceiling we are dealing with a ceiling on expenditures. So we are only taking the bookkeeping of the Government of the United States and adapting our processes and techniques accordingly.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. CANFIELD. Mr. Chairman, I ask unanimous consent that the gentleman

may be allowed to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. EBERHARTER. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Pennsylvania.

Mr. EBERHARTER. I am wondering in connection with this estimate that the committee made. Suppose the money runs out, say in 8 months of the fiscal year 1948. May I ask whether the subcommittee would consider a deficiency appropriation bill so that these taxpayers who are entitled to refund of this money can get it?

Mr. DIRKSEN. A subcommittee of the Appropriations Committee has no choice in the matter because deficiency estimates are prepared by the budget Bureau. They are approved by the President. They can send us a room full of deficiencies and we cannot stop them. The only question is whether or not we propose to enact the deficiency after we have taken further testimony. It would be a grand idea, after some experiences under this item as set up by the subcommittee, if they would come back and tell us the whole story. Now, we are proposing that that be done because we said in the report that through the power of legislative oversight of the subcommittee we propose to follow through on this matter.

Mr. EBERHARTER. I got the impression from the gentleman's remarks yesterday afternoon that it was the intention of the Committee on Appropriations to have less deficiency appropriations.

Mr. DIRKSEN. It certainly is.

Mr. EBERHARTER. Well, now, further, the gentleman is giving the impression that he has no confidence in the Joint Committee on Internal Revenue Taxation, which passes upon these refunds if they amount to over a certain small figure. Now the gentleman is giving the House the impression that nobody checks on these refunds. I will say that there is a set-up by law whereby the Joint Committee on Internal Revenue Taxation passes on these refunds and the legality of them, so that I hope the gentleman will not leave the wrong impression here.

Mr. DIRKSEN. Well, the gentleman from Illinois has not even mentioned the Joint Committee on Internal Revenue Taxation, insofar as he knows. The gentleman from Illinois is dealing with money that goes out of the Treasury of the United States, not money that comes in. That is the function of the Committee on Appropriations, and that is the reason this item appears in an appropriation bill.

Mr. EBERHARTER. I just want to say that there is a special council that passes upon these refunds, and it is up to the Treasury Department, with the approval of the special committee set up by law, to pass upon it.

Mr. DIRKSEN. This subcommittee undertakes to clearly stay within its prerogatives and within its powers, so that when an item of \$2,031,000,000 is sub-

mitted to us we take testimony from everybody in the Treasury Department who can throw some light on this subject.

Mr. GORE. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Tennessee.

Mr. GORE. In asking the gentleman to yield, I first want to say that I entertain for him not only the highest regard but the most genuine fondness.

Mr. DIRKSEN. I appreciate that.

Mr. GORE. And any difference in point of view between him and me, both members of the Committee on Appropriations, is purely on a matter of principle, and no antagonistic personalities whatsoever are involved.

Mr. DIRKSEN. I understand that, and I reciprocate with equal fervor the grace that is so beautifully expressed by my friend, the gentleman from Tennessee.

Mr. GORE. I would not ask the distinguished and able gentleman to yield except that I only had 5 minutes and I was unable in that time to develop adequately my point of view, and if the gentleman will let me ask him a couple of matter-of-fact questions, I will be glad to ask unanimous consent that his time be again extended.

Mr. DIRKSEN. With the greatest of pleasure.

Mr. GORE. Since the distinguished chairman of the subcommittee stated on the floor yesterday that this provision did not save one dime to the taxpayers of the country or to the Treasury, I wonder what virtue this provision has. Now, the gentleman undertakes to assign to it the virtue that he is going to have the Bureau of Internal Revenue come back to Congress and tell what they did with the money. The appropriation bill for last year contained the identical provision which you will find on page 11, which requires that an accurate report be made, and as the gentleman from Pennsylvania has pointed out, the Joint Committee on Internal Revenue searches and passes upon these refunds. Now, the gentleman would not state, I am sure, that it is his intention to forestall and prevent prompt refunds of taxes, and then if that is his purpose, if that is the purpose of the committee and of his party, why do we place this limitation in the bill? The Treasury is certainly not going to make refunds to which taxpayers are not legally entitled. If you are going to bring in a deficiency bill, that will serve the purpose, but it makes useless work for the Congress.

The CHAIRMAN. The time of the gentleman from Illinois has again expired.

Mr. GORE. Mr. Chairman, I ask unanimous consent that the time of the distinguished gentleman be extended three additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. DIRKSEN. Now, let us answer the first question: What is this item doing here anyway? Here is a tremendous document that was prepared especially by the Bureau of the Budget at the instance of the chairman of the

Committee on Appropriations when we were working on the legislative budget.

Here is an analysis of the expenditure, not by the Appropriations Committee but by the Budget Bureau. When you get down to the Treasury Department, here is an item of \$2,031,000,000 inserted by the Budget Bureau in the 1948 appropriation, and it is inserted in the 1948 budget of expenditure. So as we deal with appropriations and expenditures we of necessity have to deal with this item.

In response to the second question raised by the gentleman from Tennessee, this has been carried as an indefinite, open-end appropriation heretofore. I have set myself against indefinite appropriations ever since I learned to know the difference between what constitutes annual, ascertained, and definite appropriations and those that are permanent and indefinite. Our Budget is filled with billions of dollars of permanent and indefinite appropriations that we can examine in only a casual and cursory way from year to year. That is the reason not a single specific refund case was presented to the subcommittee.

What we say now is, this is going to be definite and this is going to be annual, and it is going to be for an ascertained amount. When in June of 1947 the Treasury officials come before the subcommittee we can then ask, "What did you do with the money? Let us see the whole record, now, so we can carefully examine and see whether the moneys of the taxpayers of the United States have been carefully and properly husbanded." So it is on the basis of making it definite that we conclude on the basis of their own testimony that this can be safely reduced by that amount, and that is implemented by the fact that additional testimony was offered, perhaps off the record, in the Committee on Ways and Means, and I am hopeful that the gentleman from New York will address himself to that matter very briefly.

Mr. GORE. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. GORE. I wonder how the distinguished gentleman arrived at the conclusion that because "several million" taxpayers are expected to be cut off the tax roll there would be fewer and not more claims for tax refunds.

Mr. DIRKSEN. The fact of the matter is that it appears in the expenditure budget over the hand of the President and the budget itself. Why should more money be reflected in the expenditure budget than the money they actually need? Of course, they have not yet got over the technique of blank checks, of long ago. You just write out \$500,000,000 for the President of the United States and then hope that at the end of the fiscal year he will probably give you a report. No; there is a change now. We are getting on a very definite basis. It is so easy to show a smaller budget and then revise it later in the year to show progress toward economy. We propose to make it reflect the true condition if we can.

The CHAIRMAN. The time of the gentleman from Illinois has again expired.

Mr. GORE. Mr. Chairman, I ask unanimous consent that the gentleman be permitted to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. GORE. The estimates in the budget of the President were based upon present tax laws. It was very necessary that an estimate for tax refunds be contained in the budget, because tax refunds can be made only through disbursement from the Treasury. Disbursement from the Treasury can be made only upon authorization from the Congress. Therefore it was entirely proper, there was no legerdemain about it, that this item be included in the budget. It is entirely proper that in the budget of the Congress this item be included. But the gentleman and the distinguished committee of which he is a member have arbitrarily made a guess that the amount of refunds will be \$800,000,000 less than was estimated by the Bureau of Internal Revenue and the budget and the President, and he assigns as one of his reasons that the taxes are going to be cut and several millions will be cut off the tax rolls. The President estimated and the Bureau of the Budget estimated that there would be claims for refund of \$2,031,000,000 for the next fiscal year under present taxes. If the gentleman is going to reduce taxes 20 percent or by whatever amount, he is going to increase rather than decrease the amount of tax refunds.

The CHAIRMAN. The time of the gentleman from Illinois has again expired.

Mr. DIRKSEN. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes to make proper answer to the gentleman.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. DIRKSEN. As a matter of fact, the gentleman from Illinois thus far has said exactly nothing about the changes in taxes or changes in the internal-revenue laws that might diminish the number of tax payments. The gentleman from Illinois puts it strictly on the ground that the Treasury arithmetic is faulty and that it is a guess. Let us take a look. There is \$420,000,000 in this estimated item for excess-profits-tax refunds. You will find in the statement made by the chairman of the Excess Profits Tax Council that it is stated that \$8,000,000,000 in claims will be filed, but \$8,000,000,000 had not actually been filed.

As a matter of fact, I asked the Treasury to send me the most recent and current statement. It came a day or two ago. Only \$4,562,000,000, about one-half of the estimate, has been filed. It only increased about \$450,000,000 since June of 1946. By their own testimony and by their own statement they have disposed of nearly 19,000 of those cases, and that is about one-half in number of the cases involving \$680,000,000. How much money was allowed? Here is their figure—\$42,500,000. Yet, they come along and insert an estimate of \$420,419,148 for fiscal 1948. If you take the

most advantageous percentage figure, it probably would not run over \$160,000,000. Can you wonder why the Treasury did not belabor the point?

Number two is the \$123,000,000 which they said should be deducted just as soon as action was completed on the excise tax bill. Finally comes this estimate of more accurate returns as familiarity with existing tax law develops everywhere in the country. That is what the Treasury said to us. So, I believe we can safely diminish this amount by \$800,000,000.

I am confident there will be sufficient money to take care of every taxpayer for whom my friend, the gentleman from Tennessee, is so concerned. That is the whole story.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. CRAWFORD. With respect to the liability of the Federal Government to taxpayers, we have to meet that liability when payday comes anyway?

Mr. DIRKSEN. That is right. Nobody quarrels about that.

Mr. CRAWFORD. Of course, nobody claims that the subcommittee or the full Committee on Appropriations would ever deny a taxpayer a refund if he is entitled to it. Secondly, why does not the gentleman tell us of the advantages to a person who desires to stuff his budget looking forward to a future date?

Mr. DIRKSEN. The gentleman from Illinois wanted to be reasonably circumspect about it, although I mentioned it yesterday afternoon.

Mr. CRAWFORD. The gentleman can be reasonable and can still tell us.

Mr. DIRKSEN. Suppose all this money was not going to be used, and we have reason to believe from very creditable sources that it will not be used in fiscal 1948. If it were stuffed so that next year there can be a diminution in amount and somebody may decide that the Congress can take credit for a budget of expenditure which is a good deal smaller than if bookkeeping had been carried on in a very candid way. That is the whole story and I suppose it ought to be told. I hope the amendment will be voted down.

Mr. EBERHARTER. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, I appreciate it is quite difficult for the members of the committee today to get into their heads clearly these huge figures. The last remarks of the gentleman from Illinois give the impression that somebody is trying to stuff the figures in the budget, insofar as these tax refunds are concerned.

Let me call your attention, Mr. Chairman, to the fact that for the fiscal year 1946 the Treasury estimated to the Congress in the President's budget message that the refunds for the fiscal year 1946 would be \$3,116,800,710. The actual refunds, Mr. Chairman, amounted to \$3,110,000,000, so that on that three thousand-million-dollars estimate the Budget Bureau was only off \$6,000,000, that is a \$6,000,000 overestimate. That shows that there was no stuffing at that time.

For the fiscal year 1947 the Treasury estimated that the tax refunds would amount to \$2,138,807,000.

I call your attention to the fact that up to the end of the first 3 months of 1947 the tax refunds already amount to \$1,200,000,000. So under the budget estimates, for the balance of this fiscal year, there is only allowed \$800,000,000. This proves conclusively that they did not stuff their estimates for the fiscal year 1947.

The estimate for 1948, of course, is only \$2,031,000,000. That shows it is coming down. There is no stuffing there at all. What is the use of putting figures in an appropriation bill that do not mean anything? The law says particularly that this money must be paid. The law says it must be paid. So, as the gentleman from Michigan [Mr. CRAWFORD] brought out, what is the use of putting a limitation on the amount of money that the Treasury can pay out when we have passed substantive law saying that as soon as this money is due to the taxpayers the Treasury Department must pay it right away? What is the use of saying in this appropriation bill, You cannot pay to the taxpayer what is legally due him if the total amounts to more than \$1,231,000,000. It all goes to prove the point that you are trying to show the public you are now saving \$800,000,000. It will just call for another deficiency item later in this session.

I think I could show you without question that for many years past the estimates that have been furnished under recent tax bills, and proposed tax bills, by the Treasury Department and the Budget Bureau, were unbelievably right. There is no stuffing in the President's budget and I hope the country does not feel that way.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. EBERHARTER. I yield, gladly.

Mr. McCORMACK. I think the RECORD should clearly show that this is really no saving. It is attempted to create the impression that this is a saving of \$800,000,000 but it is not in fact any real economy; because if the refunds are greater than are carried in this will we will have to appropriate money later on, because it is the law and amounts to a contract. If this amount of money is appropriated and the refunds are less, the excess money would stay in the Treasury anyway, being appropriated for a specific purpose. So the \$800,000,000 is in no sense an actual real saving of a single dollar.

Mr. EBERHARTER. I thank the gentleman for his contribution. He is absolutely correct.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. EBERHARTER. I yield with pleasure to the chairman of the subcommittee.

Mr. CANFIELD. The chairman of the subcommittee is not trying to fool the House or the country on this item.

Mr. EBERHARTER. I will say for the gentleman that the gentleman from New

Jersey said plainly and frankly that the subcommittee was not trying to give the impression that the Congress was going to save \$800,000,000 by putting this estimate it.

Mr. CANFIELD. One other word. The gentleman has been talking about Treasury estimates. I am reading from the hearings, page 569. Dr. Atkeson, who spoke for the Treasury, said:

We are not, under the law nor in practice responsible for preparing the estimates that enter into the President's budget.

They were not made by the Treasury.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. EBERHARTER] has expired.

Mr. EBERHARTER. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. CANFIELD. May I add further, the House should know this, that the action we took in this respect was unanimous on the part of the subcommittee, between the minority as well as the majority. Furthermore, when we presented our story to the full committee the other day there was no dissent in the full committee.

Mr. EBERHARTER. Well, you know there are times when the minority members of a subcommittee can be wrong also.

The only effect of this short-changing the Treasury \$800,000,000 is that when the money appropriated in this bill is exhausted, then the taxpayers who are entitled to these refunds will be told, "We have no money in the Treasury with which to pay you, but never mind, Uncle Sam will pay you 6 percent interest until we get around to getting the Congress to give us additional money to pay you what is owed to you."

So you are not saving any money. In fact, you are charging the Federal Government 6 percent interest for failing to pay these claims immediately when the amount due is ascertained.

Mr. GORE. Mr. Chairman, will the gentleman yield?

Mr. EBERHARTER. I yield to the gentleman from Tennessee with pleasure.

Mr. GORE. The gentleman from Pennsylvania is entirely correct. If this limitation on tax refunds has any effect upon expenditures of the United States Government it will increase the expenditures; in no way can it reduce them. But what I rose to answer was this inference that the Budget Bureau and the President made a political estimate. I thoroughly agree with the statement of the Bureau of Internal Revenue that they have no responsibility for the figures placed in the budget, that is the responsibility of the Bureau of the Budget and the President. They are responsible, however, for submitting estimates to the Bureau of the Budget and to the President. I have not talked to the Bureau of the Budget, but I have been down to inquire at the Bureau of Internal Revenue and they support entirely the ac-

curacy of the estimates contained in the budget. They say that, in their opinion, if there is any error it is underestimated instead of overestimated.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

(Mr. EBERHARTER asked and was given permission to revise and extend his remarks.)

Mr. REED of New York. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I just wanted to see if I could make a slight contribution, at least toward keeping the record straight. I think there is a great deal of guesswork, and probably of necessity, in regard to this question of how much money should be placed in the appropriation bill relating to refunds. It is very easy to be misled, and I doubt if in years I have been quite so stunned as I was when we were having a meeting of a Joint Committee on Taxation to listen to the report of Judge Hamel. He has charge of refunds under the excess-profits tax provisions of section 722 of the revenue act. I made very careful notes, because, as I say, I was very much stunned when he made a statement of the total amount of refund claims filed to the Joint Committee on Internal Revenue Taxation.

Judge Hamel, the chairman of the council, stated that as of January 1, 1947, some 8,500 taxpayers had filed claims under section 722 for the refund—gross—of about \$6,000,000,000 of excess-profits taxes. Since claims for 1944 and 1945 had, in general, not yet been submitted, it was estimated that the total gross amount would be about \$8,000,000,000. About that point I wanted to take some smelling salts, but he proceeded.

Judge Hamel pointed out, however, that since a reduction of excess-profits tax involves an increase in ordinary income tax, the net amount involved would be somewhat over half this amount. Moreover, since 1942 taxpayers have been permitted to defer payment of 33 percent of the excess-profits taxes involved in claims under section 722, and in many cases the reduction in tax by reason of these claims will be less than the payment already deferred.

Judge Hamel stated that to March 1, 1947, the council had settled claims amounting to \$8,000,000 by allowing \$1,800,000 of which payment of about \$950,000 had been deferred. Moreover, claims aggregating about \$19,000,000 had been withdrawn and on these payments of \$3,200,000 had been deferred.

So the net result of that work was not a payment out of the Treasury but a net additional collection of taxes of about \$2,300,000.

When asked to make a rough guess as to the ultimate payment out of the Treasury that might be expected as the result of settlement of all the section 722 claims, Judge Hamel stated that there might well be no net payment by the Treasury since on the basis of experience to date, amounts ultimately allowed might be greater than the taxes already deferred.

That is the way it usually runs. In the case of these tax refunds nobody can tell, and the possibility is that when we

get to them they will be reduced almost to a minimum. I just wanted to make the record clear from the statement I took down from Judge Hamel.

Mr. CANFIELD. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. DINGELL. Mr. Chairman, I move to strike out the last five words.

Mr. Chairman, I express disappointment in the fact that this Treasury-Post Office appropriation bill of approximately \$12,000,000,000 makes such a meager saving. After all of the charges of squandering and countercharges I heard here for the last several years, I had hoped that the herculean efforts of the committee might indicate a larger amount in reduced spending. The net savings, I believe, is less than \$100,000,000 in the aggregate.

I presume that the committee found it necessary to sort of doctor up the report in order to make it look good, so necessarily this estimate of refunds was tampered with. Now I think that the committee really finds itself in hot water because it rooted around in terrain it was not familiar with.

The gentleman from Illinois [Mr. DIRKSEN] said yesterday that he was going to give the committee some information which would indicate that this large item of estimated tax refunds really is a saving. Well, his explanation was not very convincing. No one in this House can tell me that a cut or a reduction—call it what you want—in the estimate covering tax refunds due the taxpayers constitutes a saving, because it does not. If the total amount of the estimate were eliminated entirely, it would not save one thin dime to the Treasury and to the American taxpayer. Therefore, this figure of \$800,000,000 is just spurious nonsense. It should not be considered here at all. If you take it out and the amount exceeds what the committee provides—that is, if the amount of refunds exceeds the amount that the committee provides herein—we will have to make a deficiency appropriation later. We in the Committee on Ways and Means handled this matter before, and it was through our study that the authority to refund was established. I know how interested the minority was at that time in the expeditious refunding of every excess dime that belonged to the taxpayer. There was no partisan facet to this move at the time. We were all interested in trying to speed legitimate refunds due under the law. I sat with the gentleman from New York [Mr. REED] as a member of the joint committee at the time when we listened to witnesses testifying about these refunds under section 722, and we did everything we could to speed up proper handling. I do not know whether this will slow it down or not, but I dare say that on the surface it appears it might, because if we limit the amount of the estimate, and the refunds exceed that amount, we are going to have to wait

until the Committee on Appropriations gets together and provides authority to pay it out. In the meantime, the Treasury will have to pay 6 percent on the outstanding debt to the taxpayers. That is no way to save taxpayers' money, and I do not think that is what you want to do. In the meantime, the report indicates to Mr. John Q. Citizen that we are making a huge saving here, or at least he anticipates a saving of \$890,000,000, when, as a matter of fact, the sum total will be less than \$100,000,000.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from Tennessee.

Mr. COOPER. There is one other phase of this matter that should be emphasized a little more than has been up to this point. The whole purpose in carrying a provision of this type is in the interest of the taxpayers of this country.

Mr. DINGELL. That is correct.

Mr. COOPER. Where more money has been collected from them by their Government than they owe under the law. That is the only purpose of having this provision here.

Now then, if you are going to impose the limitation contained in this bill, and if that amount is exceeded and the taxpayers are entitled to receive that money back, it means they may have to wait until Congress passes a deficiency appropriation bill to receive money they are already entitled to.

Mr. DINGELL. That is correct. I agree with the gentleman.

(Mr. DINGELL asked and was given permission to revise and extend his remarks.)

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. CRAWFORD], who was standing before the time was fixed, for 5 minutes.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from California.

Mr. HINSHAW. The gentleman from Michigan is a certified public accountant of very great ability, and I would like to ask him whether or not these amounts for tax refunds should not be chargeable against tax income instead of placed in the budget, which provides for expenditures for the Government.

Mr. CRAWFORD. As to the exact manner the Treasury and the Bureau of the Budget would handle these items in their bookkeeping, I would not want to say at this particular time, but I do not know of anyone in this Congress who would support a proposition which delays the paying of refunds to taxpayers who are entitled to those refunds. I do not know how any Congress or any committee would decline to make appropriations at the request of the responsible Government officials; and if the responsible Government officials have the abilities we are paying them for, they will have the estimates up here in time for the Congress to make the appropriations so that payment can be made on the due date, and I assume that the Congress will be in session in the months to come and in the years to come, and, personally, I am very emphatically and categorically in

favor of this reduction and against the amendment offered by the gentleman from Tennessee. At the same time, I want to say that I do not know how anyone can support a group of taxpayers any better than through strict budgetary control, and I make that remark in response to the gentleman from Tennessee [Mr. COOPER]. Of course, these refunds are in the interest of the taxpayer who paid in excess of his liability, but it is in the interest of the taxpayer for this Congress and future Congresses to hold budgets within reasonable figures.

Here is a philosophy with which I entirely disagree, and I read from page 1275 of the RECORD of the current session:

I would far rather, as we start this new and useful budget mechanism, to set a spending ceiling figure high enough so that when the session is over we will not only have lived up to our pledge to stay within it, but we will have a margin of safety left. The Congress would then stand in a better light with the people we represent as being responsible. What extra margin that we might be able to cut under our own spending ceiling—set in advance of the minute examination of appropriation requests, would be hailed as an extra windfall for economy.

If you can think of anything more destructive to the taxpayer, than that type of philosophy, tell me some day what it is. It is like a factory superintendent coming before the board of directors. He sets up a budget, we will say, for \$100,000, for repair and maintenance of a mill, when he knows good and well he can get through with \$60,000. But he stuffs his budget so that at the end of the period he can come in and throw up his hands and say, "Boss, isn't it swell? I saved you \$40,000; I give you back a windfall of \$40,000."

Now, this skulduggery on the part of anyone who has anything to do with the budget; and our budgeteers have been so loose in past years with the funds of the taxpayers of this country that I think we have degenerated into moral sin as far as economic morality is concerned, and I am in favor of tightening down the lid, and when any budget comes in here, question the thing in every way we can, and then screw it down a little, and then let them come in and justify every penny they get.

Mr. DIRKSEN. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Illinois.

Mr. DIRKSEN. Was not the argument used in revising the January budget of 1946, in the month of August 1946, to show a fine saving, perhaps, when as a matter of fact it was just loose fiscal policy when the budget came before the Congress in the first instance?

Mr. CRAWFORD. That is exactly what it was, and it is what has been carried on for 2 years. It is time for us to stop it. We have been entirely too loose. If we want to do the right thing for the people we will reduce the budget to the irreducible minimum based on the facts we could get at that time and the conditions which prevailed in this country and throughout the world. Then as the necessity arises, if it does, let those facts be brought to the Con-

gress and let the budget be increased at that time through deficiency appropriations or otherwise.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from New York.

Mr. REED of New York. Is there not a very substantial reason why every item in the budget should be scrutinized by the committee in charge, that the spenders are the ones after all that appear with a vested interest to get more money? Is not that true?

Mr. CRAWFORD. Certainly that is true. Our spending has been so great that we have created vested interests all over this country. It is time to cut off some of the gravy.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Tennessee.

Mr. GORE. Mr. Chairman, I ask unanimous consent that the amendment be again reported.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. GORE: On page 12, line 20, strike out the sum "\$1,231,000,000" and insert "there is hereby appropriated such amount as may be necessary for prompt payment of tax refunds."

The CHAIRMAN. The question is on the amendment.

The question was taken; and on a division (demanded by Mr. GORE) there were—ayes 57, noes 102.

So the amendment was rejected.

The Clerk read as follows:

Printing and binding: For printing and binding for the Bureau, \$4,000.

Mr. McCORMACK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, as an indication of what fake economy can do, I call attention to a situation existing in the customs service at the port of Boston.

It has become necessary at the port of Boston to dispense with the services of approximately 200 temporary day laborers because of the lack of funds with which to hire these men.

These temporary day laborers, hired only when the volume of importations warrant, are used to truck bales of wool to and from scales, boring the bales to obtain samples, and similar manual labor, all under the supervision of customs inspectors. These laborers are also used in connection with the handling of general cargo but in the main are used in connection with wool importations.

During the current fiscal year, from July 1, 1946, to February 15, 1947, 247,018,908 pounds of foreign wool were entered for consumption at warehouse at the port of Boston. The Wool Trade Association anticipate a heavy import movement of wool during the remainder of the current fiscal year—and in fact for the next 2 years. Thus, using the quantity of wool received since July 1, 1946, we can expect approximately 148,211,340 pounds of wool between now and June 30, 1947.

Seventy-five percent of the wool expected will be Australian and Cape wools,

which, from experience over many years, gains from 4 to 12 pounds per bale over the invoice entered weights. Taking 6 pounds per bale as the average increase in weight the following computation is submitted to show the amount of revenue that would be collected if funds are made available for the weighing and boring of wool:

Quantity expected to be imported at Boston, Mass., 148,211,340 pounds.

Seventy-five percent of above wool will gain weight on voyage of importation, 111,158,507 pounds or approximately 370,528 bales.

Three hundred seventy thousand five hundred and twenty-eight bales at 6 pounds per bale increase in weight equals 2,223,168 pounds net.

Using average yield of 60 percent, 1,333,901 pounds clean content.

Duty of 34 cents per pound, \$453,526.34 loss in revenue if wool is not weighed.

If imported wools are not weighed the laboratory percentage of clean content cannot be used, and it is necessary to have determination of percentage of clean content made by the visual method. Determination of percentage of clean content by visual method has resulted over the years in an average increase of 2 percent over the entered yield, whereas determination of percentage of clean content under laboratory method has resulted in an average increase of 4 percent over the entered yield. Thus, in addition to the loss in revenue of approximately \$453,526.34 outlined above, there would be a further loss in revenue of approximately \$15,117.42, due to the 2-percent loss in percentage of clean content between visual and laboratory method of determination, a total estimated loss in revenue of \$468,643.76 for the remainder of the current fiscal year at the port of Boston.

The majority of the 200 or more temporary laborers employed at the port of Boston are veterans, and they are deserving of every consideration, particularly when their continued employment will prevent a loss in revenue of approximately \$468,643.76 through an expenditure of \$100,000 for salaries.

The Customs Service is without funds for the employment of these temporary day laborers who are urgently needed to aid in weighing and boring wool importations. The granting of a deficiency appropriation will permit of the employment of these laborers and at the same time result in a net increase in revenue of \$368,643.76.

I call your attention to an article appearing in the American Import and Export Bulletin, volume XXVI, No. 2, February 17, 1947, which clearly evidences that more customs personnel is urgently needed throughout the United States. The article is based on the preliminary report on the field service of United States Customs made by the National Council of American Importers, Inc. Survey was made of the customs personnel situation at the headquarters ports of the 20 leading customs districts in the United States. Assisting the National Council of American Importers in this survey were the Baltimore Association of Commerce, Commerce and Indus-

try Association of New York, Detroit Board of Commerce, Los Angeles Chamber of Commerce, New York Board of Trade, Norfolk Association of Commerce, Portland (Maine) Chamber of Commerce, St. Albans (Vt.) Chamber of Commerce, San Francisco Chamber of Commerce, Seattle Chamber of Commerce, and many others. This article is the preliminary report of the National Council of American Importers, Inc. The survey made by other than a governmental agency should prove of value. The economic report submitted to the Congress by President Truman on January 8, 1947, stresses the importance of international trade to the domestic aspects of employment, production, and purchasing power. The budget message submitted to the Congress on January 10, 1947, showed actual receipts from customs for the fiscal year ended June 30, 1946, as \$435,000,000, with estimates for the fiscal year 1946-47 as \$496,000,000, and for the year 1947-48 as \$517,000,000. These figures show a carefully estimated trend of steadily increasing imports of dutiable foreign products and the Customs Service should have an adequate force to expeditiously handle these imports.

TREASURY DEPARTMENT,
 Washington.

Hon. JOHN W. MCCORMACK,
 House Office Building, Washington, D. C.

MY DEAR MR. MCCORMACK: Reference is made to your telephone request today for immediate and detailed information concerning the effect the action of the Appropriations Committee of the House of Representatives in cutting by \$3,500,000 the estimates for the appropriation, "Collecting the revenue from customs, 1948," will have on the Customs Service if it stands.

The current situation in the Customs Service is very difficult and highly unsatisfactory to the public. Shortage of personnel has resulted in delays in the clearance of merchandise and travelers and in the settlement of duty liabilities. Some relief from this situation was included in the \$36,000,000 estimated submitted for the 1948 customs appropriation.

If the cut of \$3,500,000 stands, we must operate in the fiscal year 1948 on approximately \$2,365,000 less than the rate of expenditure at which we were operating during the month of February 1947, the last period for which figures are available.

As 93½ percent of the customs appropriation is disbursed for salaries, and there is practically no possibility of curtailment in the remaining 6½ percent, covering rental of space, telephone service, cartage of examination packages, etc., this reduction will require the separation of such a substantial number of employees that some activities must be discontinued.

Careful examination of the possibilities for meeting this situation satisfies me that the only activity that can be discontinued without a substantial revision of statutory law is that directed toward the prevention of smuggling. While this is a clear statutory duty of the Customs Service, there is no statutory prescription as to how it shall be conducted and the effectiveness of our smuggling control has always depended upon the action of the Congress in furnishing funds.

Other functions of the Customs Service create bottlenecks through which all carriers, goods, and travelers entering the country must pass. The treatment to be given these carriers, goods, and travelers is prescribed by law and the Customs Service

must operate to permit their passage through the customs control and to keep the records and accounts required by law in connection with their movement and the collection of the revenue incident thereto.

It is therefore clear that if the \$3,500,000 cut stands, the larger part of it must be met by the separation from our service of about 800 employees, practically all from the customs border patrol that operates against smuggling on the Mexican and Canadian boundaries and from the port patrols that operate against smuggling of narcotics, jewelry, watches, and other articles at the seaports and against the theft of merchandise from customs custody.

The total number of customs border patrolmen at the present time is 351 and the total number of port patrol officers on the pay roll is 1,605, including supervisory officers. It therefore appears that if we must meet this cut it can only be by separating about 200 customs border patrolmen and 600 port patrol officers. The border patrolmen are located in groups of twos and threes, mostly in isolated areas and small towns along the boundaries. The port patrol officers are principally at Seattle, Portland, Oreg., San Francisco, Los Angeles, Honolulu, New Orleans, Galveston, Mobile, Tampa, Miami, Norfolk, Baltimore, Philadelphia, New York, and Boston. At each of these ports the patrol force will have to be reduced about 40 percent for lack of funds.

In addition to the foregoing, the part of the \$3,500,000 cut which reflects a disallowance of additional employees to cope with the recognized increase in customs activities means that essential manpower must be supplied by abolishing positions for one activity in order to supply the additional employees absolutely required to collect the revenue from customs and maintain an orderly movement of carriers, goods, and passengers. This will mean a further depletion of the port patrol forces and the separation of those present incumbents of port-patrol-officer positions who cannot meet the eligibility requirements for the positions which must be filled to avoid a break-down of the other activities of the customs service. This will require abolishing another 40 percent of the port-patrol-officer positions now filled, or a total of 80 percent.

The net result will be a discontinuance of customs patrol activities on the Canadian border except insofar as the overburdened Immigration Service can cover this work, and a reduction of smuggling prevention at the seaports to the activities of searching squads. The resulting increase in smuggling which will inevitably follow will not only cost more in revenue than any saving, but will be even more detrimental to the businessmen who will face the competition of smuggled and stolen goods.

Very truly yours,

W. R. JOHNSON,
 Commissioner of Customs.

Mr. Chairman, in the bill as reported, the committee fixes the appropriation for rent for post-office quarters at \$13,000,000, a reduction of \$457,000 below the amount recommended by the Bureau of the Budget and \$35,000 below the estimated expenditures for this item for 1947.

If the Post Office Department is to operate efficiently, it should have sufficient money in its rent appropriation to obtain suitable and adequate quarters. We all know that rents are increasing all over the country, and especially in metropolitan areas and I do not see how the Post Office Department can continue to rent satisfactory quarters, in the face of this continuing rise in rentals, with the reduction that the committee has made in this item.

Undoubtedly there are places throughout the country where more space should be provided to properly carry on the post-office business and there is certainly no provision for this in this bill, which does not provide even as much as the estimated expenditures for 1947.

Considering the entire situation, it seems to me that the amount recommended by the committee for this item is entirely inadequate to meet reasonable needs.

(Mr. MCCORMACK asked and was given permission to revise and extend his remarks.)

The Clerk read as follows:

Reimbursement to District of Columbia, benefit payments to White House Police and Secret Service forces: For reimbursement to the District of Columbia on a monthly basis for benefit payments made from the revenues of the District of Columbia to members of the White House Police force and such members of the United States Secret Service Division as are entitled thereto under the act of October 14, 1940 (54 Stat. 1118), to the extent that such benefit payments are in excess of the salary deductions of such members credited to said revenues of the District of Columbia during the fiscal year 1948, pursuant to section 12 of the act of September 1, 1916 (39 Stat. 718), as amended, \$68,500.

Mr. VURSELL. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the members of the Appropriations Committee who brought in this bill are to be commended today. We are making a start back over the road toward economy in Government. In debating and examining the budget and through the actions of the Appropriations Committee we have stopped the Government pay train which, during the past 14 years, has been speeded up by the philosophy of "spend and spend and tax and tax," till it might be illustrated as reaching a speed of 100 miles an hour.

We have stopped the train. We have turned it around. We have headed it back toward sanity in government, toward relief for the taxpayers and in the hope of putting the Government on a sound financial basis which is so important to the future of our Nation.

Mr. Chairman, I have been a little disappointed to find the members of the Administration criticising the efforts of the Republican majority and constantly throwing in our way every possible obstruction. This is a great day for the American people and we must repeat our actions and efforts on every Appropriation bill as it comes to the floor of the House. Savings have been written into this bill which in the ultimate will doubtless amount to a little less than a billion dollars. Certainly we should have the support and cooperation of our Democratic friends because their constituents are being benefited by our actions and because their constituents want to reduce the cost of Government just as do the constituents of us Republicans. These reductions will shake about 25,000 people off the Government pay rolls. I know the people will be glad to hear this, and will applaud our efforts.

With the tremendous Federal debt hanging over the people, which amounts to \$2,000 for every man, woman and child in America, we cannot keep this

Government solvent unless we cut every unnecessary governmental expense out of all appropriation bills. That is the program of the Republicans who now hold the majority in this House.

We will continue to do our best to reduce Government expense and we hope in the future that we shall have the full cooperation of the minority party in the House in the interest of all of the taxpayers of the Nation.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

No part of any money appropriated by this or any other act shall be used during the fiscal year 1948 for the purchase, within the continental limits of the United States, of any standard typewriting machines (except bookkeeping, billing, and electric machines) at a price in excess of the following for models with carriages which will accommodate paper of the following widths, to wit: Ten inches (correspondence models), \$77; 12 inches, \$82.50; 14 inches, \$85.25; 16 inches, \$90.75; 18 inches, \$96.25; 20 inches, \$103.40; 22 inches, \$104.50; 24 inches, \$107.25; 26 inches, \$113.85; 28 inches, \$114.40; 30 inches, \$115.50; 32 inches, \$118.25; or, for standard typewriting machines distinctively quiet in operation, the maximum prices shall be as follows for models with carriages which will accommodate paper of the following widths, to wit: Ten inches, \$88; 12 inches, \$93.50; 14 inches, \$99; 18 inches, \$104.50: *Provided*, That there may be added to such prices the amount of Federal excise taxes paid or payable with respect to any such machines.

Mr. MILLER of Connecticut. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MILLER of Connecticut: On page 23, line 18, strike out line 18 to line 12, on page 24, inclusive.

Mr. MILLER of Connecticut. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. MILLER of Connecticut. Mr. Chairman, as I said yesterday during general debate on this appropriation bill, if I can have the attention of my colleagues for a few minutes I think you will agree with me that this language placing a ceiling on the price the Government can pay for typewriters is unfair, unreasonable, and not in the public interest. This amendment involves a matter of principle, right or wrong.

This proposition has an interesting history. In 1913 the Secretary of the Treasury through the General Supply Committee invited every manufacturer of typewriters to submit prices for which they would sell typewriters to the Government. Several manufacturers submitted bids each thinking that the low bidder would receive a contract to supply the full needs of the Government.

No such contract was awarded but the next year the Appropriations Subcommittee handling the Treasury and Post Office supply bill wrote language into their bill requiring the Supply Committee to pay no more than the low exclusive bid of the previous year.

That procedure was followed until 1922 when Congress through this same

appropriation bill wrote into the law a price ceiling of \$70 on standard typewriters. Last year the ceiling was raised to \$77 which incidentally was a smaller increase than OPA had just approved for the typewriter industry. Just think for a minute about how much the cost of manufacturing a typewriter has increased since 1922 and how much better the machine of today is than those old machines.

In 1941, for example, the 10-inch standard typewriter sold for \$115.50. As of a few months ago, the same model sold for \$148.50. The question that plagues me is why this method of purchasing is limited to typewriters. There are no ceilings on the price the Government will pay for adding machines, calculators, or even for electric typewriters.

It is indicated in the hearings on this bill that we will need from 40,000 to 50,000 typewriters this year. No manufacturer likes to refuse to sell to his Government but some are being forced to do just that. The Royal Typewriter Co., for example, has refused to sell at this proposed ceiling. The L. C. Smith-Corona Typewriter Co. will supply but 500; Remington-Rand only 3,000. Underwood's limit is 5,000. The Royal Typewriter Co. makes nothing but typewriters. They cannot make up their loss on sales to the Government on some other product.

If I were to offer an amendment placing a price ceiling of \$50 on adding machines or some other piece of office equipment, it would not have the support of half a dozen Members of this House. If I tried by amendment to limit the amount we would pay for telephone toll calls to say 50 percent of the listed charge, no one of you would support such an amendment. This proposed ceiling of \$77 on a standard typewriter cannot be justified. Oh, yes, the Treasury Department likes this ceiling. So does the Budget Bureau, but they do not justify it in the hearings.

Mr. LODGE. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Connecticut. I yield to my friend and colleague from Connecticut.

Mr. LODGE. Is it not true that this constitutes a kind of OPA price ceiling on typewriters?

Mr. MILLER of Connecticut. It is a bad form of price control. The gentleman is correct. I am sorry to see it in the bill.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Connecticut. I yield to the gentleman from North Carolina.

Mr. COOLEY. What justification for this limitation has been advanced by members of the committee?

Mr. MILLER of Connecticut. I assume the committee will attempt to justify it on the floor, but I call your attention to the hearings, pages 861 to 876. There is no justification whatsoever.

Mr. COOLEY. Do they undertake to place price ceilings on any other article?

Mr. MILLER of Connecticut. No. Electric typewriters, adding machines, paper clips, and everything else bought by the Government are not under any

price ceiling. This not only applies to the Treasury Department but this limitation or ceiling applies to every agency of the Government.

Mr. COOLEY. It has been suggested that this provision has been in the bill for 20 years. Of course, that still does not make it right.

Mr. MILLER of Connecticut. I will be glad to insert the history of it in the RECORD. I inserted it in the RECORD yesterday.

I notice on page 874 of these hearings that there was an off-the-record discussion on this subject. Why the secrecy? It cannot be a military secret today. Previously the typewriter industry has been told that this matter of price ceilings would be looked into before another bill was brought into the House. I submit that in all fairness, we should strike out this language today and then investigate. If any reasonable justification for this ceiling can be produced, it will have the support of the House, I am sure. The industry has held the bag all these years. They rate favorable consideration today.

I deeply appreciate the assurance given the House yesterday by the gentleman from New Jersey [Mr. CANFIELD], chairman of the subcommittee in charge of this bill, that his committee would investigate the cost of manufacturing typewriters and that they would try to work out a satisfactory solution. But again, why limit this procedure to typewriters? If we are going to adopt the policy of finding out the manufacturing cost of every item purchased by the Federal Government from paper clips to battleships, I will have nothing more to say about typewriter prices.

In closing, may I again urge my colleagues to change this amendment on the record disclosed in the hearings found on pages 861 to 875. I understand that the language I wish to strike from this bill is subject to a point of order. Rather than make the point of order, I submit this proposition to the judgment of the House, confident that you will act in the public interest by adopting this amendment.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Connecticut. I yield.

Mr. CANFIELD. Is it not true that most of the companies are now operating under a consent decree issued by the courts?

Mr. MILLER of Connecticut. Yes; but the consent decree has nothing whatsoever to do with the proposition. The gentleman mentioned that last evening and I inquired about it. The consent decree was issued by a court in New York State. It simply prohibits them from getting together and agreeing on a price at which they will sell typewriters. It forbids them to do the very thing this law makes mandatory that they do in furnishing the Government, and a distinguished Member of this Congress said on the record that we were compelling them to commit what would otherwise be a violation of the antitrust laws.

Mr. COOLEY. Mr. Chairman, will the gentleman yield further?

Mr. MILLER of Connecticut. I yield.

Mr. COOLEY. Is there any reason that the Government made clear that they should not buy typewriters in the same manner and follow the same procedure as is followed in the acquisition of any other property?

Mr. MILLER of Connecticut. No reason whatsoever that I can find out; and I repeat here that there can be no good reason.

Mr. COOLEY. The report indicates that the committee said they would make an investigation.

Mr. MILLER of Connecticut. They have promised that every year since I first came to Congress, in 1939—and that is not a reflection on any member of the present committee.

Mr. COOLEY. Has an investigation been made?

Mr. MILLER of Connecticut. If it has, no report has been made. I again call attention to the hearings.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Connecticut. I yield.

Mr. CANFIELD. In all fairness, will not the gentleman admit that this is the second year that there has been an investigation?

Mr. MILLER of Connecticut. No; I can show the gentleman on the record that I have taken this up with the Appropriations Committee ever since I first came here in 1939. For many years they have had this arbitrary figure of \$70, but in 1946 it was stricken out in a body I cannot mention. I wish to read one paragraph from a letter I have.

Mr. MORRIS. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Connecticut. I yield.

Mr. MORRIS. In this particular instance it is a matter of long custom that we are up against.

Mr. MILLER of Connecticut. I certainly think so. But my time is running out, and I should like to read one paragraph from a letter written by the vice president of one of the typewriter companies to a distinguished member of a legislative body:

The low legislated Government price is well known to the buyers of typewriters, and in their minds it represents a well-considered governmental declaration of what the price of typewriters should be. This has presented a serious problem in dealing with foreign governments, who use every effort to secure the price which the United States Government implies is the value of American-made typewriters. This demand has become more insistent since the introduction of lease-lend.

Incidentally, this letter was written a year ago.

The same demands, based on the same reasons, have been made by various States. One State has been considering the adoption of a regulation similar to that of the United States Government. Several years ago five States combined in an attempt to force the typewriter companies to accord them the price the United States Government fixes as the highest which should be paid.

The CHAIRMAN. The time of the gentleman from Connecticut has expired.

(Mr. MILLER of Connecticut asked and was given permission to revise and extend his remarks.)

Mr. CANFIELD. Mr. Chairman, I rise in opposition to the amendment and ask unanimous consent that I may proceed for an additional 5 minutes and that at the end of that time debate on the pending amendment and all amendments thereto do close.

Mr. MILLER of Connecticut. Mr. Chairman, reserving the right to object, are there other Members who wish to be heard on the amendment?

Mr. CANFIELD. I have seen no indication of it.

Mr. COOLEY. Mr. Chairman, reserving the right to object, I wish to propound an inquiry to the gentleman from Connecticut as to whether or not he has or will offer an amendment.

Mr. MILLER of Connecticut. I have offered an amendment.

The CHAIRMAN. The gentleman from New Jersey asks unanimous consent that he may proceed for an additional 5 minutes and that at the end of that time all debate on this amendment and all amendments thereto do close.

Is there objection?

There was no objection.

Mr. CANFIELD. Mr. Chairman, this is a speech I do not like to make.

As far as this appropriation bill is concerned, the subcommittee has been subject to more pressure from the typewriter lobby than from any other group—or any of the agencies which received a reduced appropriation. They have approached us with high-priced lawyers, and threatened boycotts, so that they could raise the price of typewriters sold to the Government more than \$40 per machine. These lobbyists have phoned my office frequently and persistently. They have appeared in person to try to influence me to have this provision stricken from the bill.

All this they have done despite the fact that the subcommittee, for the first time in many years, if not in history, gave them an opportunity to appear before the committee, and to present their statements for the record.

Except for one company, which mentioned the \$40 per machine increase, the other companies refused to tell us how much the prices would rise. Nevertheless, on the basis of requests from the agencies it can be safely estimated that removing this restriction would result in a minimum increase of \$160,000 per year, and this is a most conservative figure.

Mr. MILLER of Connecticut. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield to the gentleman from Connecticut.

Mr. MILLER of Connecticut. Will the gentleman say that those who appeared before his committee and testified are not officials of the company but local salesmen and sales managers. May I say that I have not had a single call from any official of the two large typewriter companies in my district. I had to go to the salesmen in the district for information.

Mr. CANFIELD. I am glad to hear that the gentleman from Connecticut has not been importuned the way the chairman of the subcommittee has been.

Mr. MILLER of Connecticut. Not once.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield to the gentleman from Pennsylvania.

Mr. GROSS. Does the gentleman know whether these typewriter lobbyists are registered or not?

Mr. CANFIELD. I do not know.

The committee could not get the evidence it desired to prove that any new typewriters at all were necessary. We have received reports that thousands of typewriters are right now stockpiled throughout the Government agencies, and that used but usable machines are available in Government warehouses for any agency that desires them. The typewriter people could not present figures to show how many machines the Government had bought in recent years. They would not tell us their costs. The Federal agencies could not tell us how many typewriters had been purchased. The committee was asked by the typewriter companies, pressure was exerted by the typewriter lobby, to force the committee to act without sufficient knowledge, to remove this section without full and complete investigation.

Why are the companies so anxious to have this price ceiling removed? What are their motives and their objectives? Why are they not willing to have the investigative staff of the Appropriations Committee make a study and report back? Why is action demanded now, after more than 20 years of silence and acquiescence?

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield to the gentleman from North Carolina.

Mr. COOLEY. The fact that this provision has been contained in the bill for the past 20 years does not appeal to me as a justification. Will the gentleman as chairman in charge of the bill give the House some sound reason why this amendment of the gentleman from Connecticut should not be adopted and why this apparent discrimination should be allowed to continue?

Mr. CANFIELD. I shall discuss this.

Mr. MANSFIELD of Montana. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield to the gentleman from Montana.

Mr. MANSFIELD of Montana. Does the gentleman from New Jersey, the distinguished chairman of the subcommittee, have any idea of what the cost of production of these typewriters is and what the percentage of profit is?

Mr. CANFIELD. I have no idea. Our committee is going to try to get those figures.

Mr. MANSFIELD of Montana. Did the gentleman get any idea from interviewing these people representing the typewriter industry how much in their opinion it would cost the Government to buy individual typewriters?

Mr. CANFIELD. For the most part they were not helpful in that respect.

The committee has attempted to reach the facts. We interviewed representatives of all the companies who wished to appear. We had before us representatives of the Federal Bureau of Supply. And we came to the conclusion that here

was an instance which must be subjected to the floodlights of official scrutiny, on which true and complete facts should be in the hands of the committee. We do have evidence that the Government can secure sufficient typewriters at the present price to supply its needs for fiscal 1948. We can assure the House that we will have the desired report from the investigating staff before the next bill for this purpose is presented to Congress.

You will note on page 865 of the hearings that if this section is stricken, the typewriter lobby has already prepared a sales talk to convince government purchasing agents that all typewriters now used by the Federal Government should be replaced. It is easy to determine that this law, in restricting the number of typewriters the manufacturers sell to the Government, forces the Government to make the greatest possible use out of the machines it has at present.

In conclusion, let me quote the statement appearing on page 872 of the hearings, made to the committee by Mr. William Freeman, deputy director in charge of Purchase Branch of the Federal Bureau of Supply:

We feel that a limitation, such as has existed on typewriters—not necessarily at the existing price but a limitation—should continue to exist, and if an increase in that limitation should be considered, that the companies should be forced to show their costs, to prove that the price increase, whatever it might be, would be justified to allow for a reasonable profit, but not an excessive one, in relation to the probable cost to do government business. We believe that from prewar records and studies we can ascertain the number of typewriters involved of all kinds would be between 40,000 and 50,000 a year.

That, gentlemen, is the chief purchasing officer of our Government. His figures can be relied on. Even his minimum figure would mean that removal of this section would result in an additional cost of \$168,000 per year.

Mr. WADSWORTH. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield to the gentleman from New York.

Mr. WADSWORTH. Can the gentleman inform us as to whether or not, in the testimony taken before the subcommittee, the representatives of manufacturers indicated that they intended or would be willing to sell or would demand a price of the Government as high as they are demanding of private purchasers?

Mr. CANFIELD. Some of them indicated that they would allow a discount price similar to that allowed schools throughout the country.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield to the gentleman from North Carolina.

Mr. COOLEY. If the Government were to request bids, could not the seven companies submit bids and could not typewriters be purchased on the basis of the lowest bid?

Mr. CANFIELD. The Purchasing Officer of the Federal Government is opposed to that practice at this time.

I quote further from Mr. Freeman's testimony:

From the purchase standpoint we feel that it would be beneficial to have a limita-

tion. I do not believe that any one typewriter company, from what they have told me, would be interested in having all the Government business. I do not know that it would be a good idea to change the type of limitation. The limitation has worked out well from a practical standpoint.

Mr. LeFevre, Assistant to the Deputy Director in Charge of Purchases, made this statement:

It is the view of this Bureau that a retention of a price limitation on typewriting machines is desirable. The ordinary system of competitive bidding would not by itself assure the Government a fair price. The preference for the make of typewriter on which the user is trained, an attitude fostered by the manufacturers, makes it unsound for the Federal Government to attempt to have its needs met by any one or two of the producers. * * *

It is the opinion of the Bureau of Federal Supply that the present method of fixing the maximum price of typewriters by statutes annually reviewed should be continued. * * *

It is contended by the manufacturers that the cost of sales to Government is no less than commercial sales. It should be borne in mind, however, that sales to the Government are without credit risk, advertising expense, collection cost, etc.

Mr. MANSFIELD of Montana. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield to the gentleman from Montana.

Mr. MANSFIELD of Montana. To come back to the question raised by the gentleman from North Carolina, what would stop these typewriter companies from getting together to fix a price at which they would sell their product to the Government? Furthermore, is it not reasonable to assume that as long as there is no pressure behind these typewriter companies to sell their products that they are selling them at a profit to the Government at this time?

Mr. CANFIELD. They want the Government's business, do not have any doubt about that, and we have now, may I say to the gentleman from North Carolina and the gentleman from Montana, a qualified staff. We have some expert men to go into this situation fully and completely. A request has been made for that investigation by the subcommittee, and it is in progress now.

Mr. COOLEY. Mr. Chairman, if the gentleman will yield further, the gentleman did not answer the question asked by the gentleman from Montana. The answer should be, of course, that the typewriter manufacturers could not get together in violation of the antitrust laws any more than the manufacturers of any other article. Now, it seems to me that the principle involved in this case is entirely wrong. If you are going to apply this principle to typewriters, why not apply it to automobiles and to every other article purchased by the Government?

Mr. CANFIELD. We do apply it to automobiles. The gentleman happens to mention an item that we do apply it to. It is applied to automobiles by statute now.

The CHAIRMAN. The time of the gentleman from New Jersey has expired. All time has expired.

The question is on the amendment offered by the gentleman from Connecticut [Mr. MILLER].

The question was taken; and on a division (demanded by Mr. MILLER of Connecticut) there were—ayes 11, noes 92.

So the amendment was rejected.

The Clerk read as follows:

Pay and allowances: For pay and allowances prescribed by law for commissioned officers, cadets, warrant officers, petty officers, and other enlisted personnel, active and retired, temporary cooks, surfmen, substitute surfmen, and six civilian instructors; retired pay for certain members of the former Life Saving Service authorized by the act approved April 14, 1930 (41 U. S. C. 178a); not exceeding \$10,000 for cash prizes for men for excellence in boatmanship, gunnery, target practice, and engineering competitions; transportation of dependents of Coast Guard personnel on active duty and retired and Reserve officers and of retired and Reserve enlisted personnel, of grades entitled to transportation of dependents in the Regular Coast Guard, when ordered to active duty (other than training) and upon relief therefrom; carrying out the provisions of the act of June 4, 1920 (34 U. S. C. 943); not to exceed \$20,000 for cost of special instruction, including books, laboratory equipment and fees, school supplies, and maintenance of students; motion-picture and other equipment for instructional purposes; rations or commutation thereof for cadets, petty officers, other enlisted personnel, and members of the Coast Guard Auxiliary when assigned specific duties under the provisions of section 8, act of February 19, 1941, as amended (14 U. S. C. 267), mileage and expenses allowed by law for officers, including per diem rates of allowance, and the Secretary is hereby authorized to prescribe per diem rates of allowance for Public Health Service officers detailed to the Coast Guard as authorized for Coast Guard officers; actual and necessary expenses or per diem in lieu thereof as the Secretary may determine and approve for Coast Guard personnel on special duty in foreign countries; traveling expenses of other persons traveling on duty under orders from the Treasury Department, including transportation of cadets, enlisted personnel, and applicants for enlistment, with subsistence and transfers en route, or cash in lieu thereof; transportation in kind and subsistence to discharged cadets; uniform clothing for enlisted men as provided by law (14 U. S. C. 13); clothing for enlisted personnel authorized by law; civilian clothing, including an overcoat when necessary, the cost of all not to exceed \$30 per person to enlisted personnel given discharges for bad conduct, undesirability, unsuitability, or inaptitude; reimbursement in kind or in cash as authorized by law to persons in the Coast Guard for personal property lost, destroyed, or damaged; actual expenses of officers and cadets and quarters and subsistence of enlisted personnel on shore patrol, emergency shore detail, and other detached duty, or cash in lieu thereof; hire of quarters for officers serving with troops where sufficient quarters are not possessed by the United States to accommodate them; hire of quarters for Coast Guard personnel comparable to quarters assignable on a capital ship of the Navy, as authorized by the Secretary to meet emergency conditions, including officers and men on sea duty at such times as they may be deprived of their quarters on board ship due to repairs or other conditions which may render them uninhabitable: *Provided*, That under this authorization no funds may be expended for the hire of quarters for occupancy by the dependents of officers or enlisted personnel; expenses of recruiting for the Coast Guard; advertising for and obtaining enlisted personnel and applicants for appointment as cadets; training of enlisted personnel, including textbooks, school supplies, and correspondence courses; transfer of household goods and effects of Coast Guard and Coast Guard Reserve personnel on active duty and when ordered to active duty and upon relief

therefrom, and the transfer of household goods and effects of deceased Coast Guard and Coast Guard Reserve personnel who die while on active duty, as prescribed by law and regulations; transportation on Government-owned vessels of privately owned automobiles of Coast Guard personnel upon change of station; purchase of provisions for sale to Coast Guard personnel at isolated stations, and the appropriation reimbursed; and including not to exceed \$50,000 for recreation, amusement, comfort, contentment, and health of the enlisted personnel of the Coast Guard, to be expended pursuant to regulations prescribed by the Secretary; apprehension and delivery of deserters and stragglers; in all, not to exceed \$70,000,000: *Provided*, That money accruing from commutation of rations of enlisted personnel commuted for the benefit of any mess may be paid on proper voucher to the officer in charge of such mess; *Provided further*, That whenever commissioned officers of the Coast Guard, who were civilian employees of the former Bureau of Marine Inspection and Navigation, resume their status as civilian employees of the Coast Guard, or whenever civilian employees of the Coast Guard, who were employed in the former Bureau of Marine Inspection and Navigation, are commissioned as officers of the Coast Guard, the limitation provided for "civilian employees, Coast Guard" may be exceeded, with the approval of the Bureau of the Budget, by the amount of their pay as civilian employees and the limitation for "pay and allowances" reduced in a like amount or ~~vice~~ versa, as the case may be;

[Mr. SMITH of Wisconsin addressed the Committee. His remarks will appear hereafter in the Appendix.]

(Mr. SMITH of Wisconsin asked and was given permission to revise and extend his remarks.)

The Clerk read as follows:

This title may be cited as the "Treasury Department Appropriation Act, 1948."

Mr. SEELY-BROWN. Mr. Chairman, I move to strike out the last word.

I rise in support of this bill, H. R. 2436. Voting to cut a recommended appropriation is neither easy nor politically pleasant.

The Coast Guard means more to me personally perhaps than it does to other Members of this House. The Coast Guard Academy is located in my district. I know many of its staff well. I have great respect for the fine job being done there by Admiral Pine, Captain Olson, and the other officers of the Academy. I know of their work from personal observation.

I have a close family tie with the Coast Guard. I saw and know of the fine work done by this organization during the war.

Now that the war is over—and pray God it is over—we must go forward to a peacetime economy. Economy is more than just preaching—it is something we must practice.

A tax-conscious Nation demands more than talk. It demands that every department of the Government practice the same economy required of you and myself as individuals.

By our action today we may be suggesting to certain other departments of the Government that they can no longer "pass the buck" or load up to the Coast Guard.

In the future all of us may well be expected to do more with less. I am

confident that the Coast Guard joins in the acceptance of that challenge.

Mr. BRADLEY of Michigan. Mr. Chairman, will the gentleman yield?

Mr. SEELY-BROWN. I yield to the gentleman from Michigan.

Mr. BRADLEY of Michigan. I was very much surprised to read in the RECORD of yesterday criticism of the operation of loran and other aids to navigation by the Coast Guard and the weather stations on the Atlantic. I understand those things are matters of international agreement and the Coast Guard is committed to continue to operate these aids to navigation. The appropriation for those should not be cut.

Mr. SEELY-BROWN. I am of the opinion that the Coast Guard is not committed to the operation of all of them. It is being willed on them. There is some question as to what agency is going to be responsible in the future for the continuation of the operation of loran. I am not a member of the Committee on Appropriations, but I believe I am correctly informed on that particular point.

Mr. BONNER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I join with the preceding gentleman in defending that great body which has rendered such outstanding service not only in time of peace but in time of war to the people of America, the Coast Guard.

I was surprised yesterday at something the gentleman from New Jersey said, although I admire the gentleman very much—he is a personal friend—and I am sure he did not mean what he said. His words are in the RECORD. I read the words:

Some of my colleagues will, a little later, give you specific examples of the waste, extravagance, and grandiose schemes of the Coast Guard.

Gentlemen, here is one of the oldest services in America, one that has written history up and down the coast line of America on the Atlantic and the Pacific, a service which, when war approached us, sprang to the defense of our country. They were prepared and had trained men, as well as training others. They landed the greater part of our troops on the islands of the Pacific. They manned the boats that carried the soldiers and sailors and marines from the transports. They contributed greatly to our glorious victories in the Pacific.

I noticed with interest, also, in the Star of yesterday afternoon the remarks of my dear friend, "that the party was now on the beam as far as economy goes." The gentleman from Illinois, I am sure, read that himself. It is a strange thing when the ax of economy falls, we find whose neck is caught under the ax. Here is a great agency of the Government which does not have the arm to reach out and defend itself in the halls of Congress as other Government agencies have. Neither do they try to walk up and down the halls in the lobby of the House Office Building and defend themselves as some other agencies do. Yet, in this bill they caught the ax harder on a percentage basis than any other agency that has been cut or probably will be cut.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. BONNER. I certainly yield to my distinguished friend.

Mr. CANFIELD. I want my friend the distinguished gentleman from North Carolina, to know that the words he just quoted which were the words I uttered yesterday were well thought out and well measured. Yes, I used the adjective "grandiose," and the Bureau of the Budget could have used the same word when they cut the Coast Guard estimates \$49,000,000 after a \$50,000,000 cut by the Treasury before they went to the Bureau of the Budget.

Mr. BONNER. But, certainly, I think it was an injustice to use the word "scheming." There was no scheming because this agency is just as interested in performing its duties as any other agency. If they overstep in their endeavor to greatly expand their duty of life saving, aid to navigation, both in the air and on sea and try to reach out and get too much, that is another thing, but certainly the word "scheming" is unjust. Nevertheless, I will pass over that, for I am certain it is not true.

On page 1952 of the RECORD of yesterday there was a discussion between the gentleman from Ohio [Mr. GRIFFITHS] and myself based on a criticism heaped on the Coast Guard with respect to this training program. All of us who were here at the beginning of the war know that during the early stages of the war the Coast Guard trained men for the merchant marine. They trained them successfully and made them ready to perform their duties in the interest of the national defense. Yet, there appeared in the picture a program to separate the training that had been established by the Coast Guard and which was being carried out with credit and perfection. This effort was successful and now we have a dual training program for men of practically the same type, Coast Guard and merchant marine, with a Merchant Marine Academy. This should have been carried on by the Coast Guard, who were prepared to do the training and who were doing the training well at that time. I think the present chairman of the Committee on Merchant Marine and Fisheries will bear out what I say.

As for economy performed in this bill, remember that we may yet live to rue the day that we performed such economy. Whatever may be done here nothing can take from the record the glorious performance and unselfish sacrifices of this service, both in time of peace, war, and disaster, both on sea and land. North Carolina, Mr. Chairman, has furnished some of the most outstanding men in this service.

The CHAIRMAN. The time of the gentleman from North Carolina [Mr. BONNER] has expired.

(Mr. BONNER asked and was given permission to revise and extend his remarks.)

Mr. DIRKSEN. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I can assure the Committee of the Whole that we are not

wanting in devotion to a very fine service, known as the Coast Guard, but when the chairman of the subcommittee selected the word "grandiose," I think it was very properly applied. One need only look at the testimony and look at the figures to understand that the word bears very close application. It was intended to convey the idea of a much-expanded service.

For instance, in 1940 the Coast Guard had 3 rear admirals. In 1948 they are asking for 18 rear admirals—six times as many as we had in the last prewar, peacetime year.

In 1940 the Coast Guard had 33 captains. When they came before our committee for the fiscal year 1948 they asked for 114, which is nearly three times as many captains.

In 1940 they had 69 commanders. They come now and ask us for 205 commanders. Would you not say that the adjective "grandiose" is rather properly applied when an agency reaches out for that kind of an expansion program?

Now, that is not all. I said to the admiral and to his budget officer, "How much did you ask your own budget committee for in the Treasury Department for the next fiscal year?" He said, "\$231,749,000." Mind you, in 1940 they had \$26,000,000, in the last peacetime year. Now they were requesting \$231,000,000 from their own budget officer. So what happened? Before they even emerged from their own department of government they had been cut \$60,000,000. Then they had to come before the President's Budget Bureau. What happened there? They cut them another \$39,000,000. Ninety-nine million dollars was cut out of the Coast Guard before the bill ever landed in the bosom of the subcommittee. You talk about fat in the Government budget today. Why, they recognize it in the budget bureaus of every department. Otherwise they could not cut out 70 percent of that appropriation before it even landed in the subcommittee.

I said to Admiral Farley and Captain Richmond, "If we Members of Congress should delete another \$50,000,000, we would be criticized and vilified and calumniated." If I had my way, we would have cut out \$50,000,000, but I had to compromise on that item. What we have got to determine is this: Is it going to be one of these expansive agencies to work all over the world, or is it going to be a coast guard? They appeared before us in civilian attire. It is considered a civilian agency, but its program makes it appear as an auxiliary navy. I want to know whether it is a coast guard or whether it is a miniature navy. If it is going to be navy, then let the Navy take care of them. If it is a coast guard, it has no business running loran stations out in Guam and away up in Alaska and all over the blue water of the seven seas.

They had \$26,000,000 in 1940 and they ask for \$231,000,000 in 1948. We cut them down substantially.

One other item. Make no mistake about this. The things they asked for next fiscal year is going to be the base for the future. Let me prove it to you. I said to Captain Richmond, "For budget purposes 1948 will be sort of a base year,

and you will go forward from that year, not backward." He said, "That is correct."

"In other words, it will be your base year," and he said, "Yes, sir."

You see, 1948 if they could have contrived \$231,000,000, that would have been the springboard for the future. Then I said: "Captain Richmond, if every agency of government will do that there will not be enough money in the United States of America if we hock everything of value in order to meet the demands of the Government agencies."

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. DINGELL. I take it that the amount they were asking was greater than what we spent on the entire Navy in 1932, was it not?

Mr. DIRKSEN. I would not go quite that far.

Mr. DINGELL. Pretty nearly that much.

Mr. DIRKSEN. But it was a very substantial amount and I can remember the time when the appropriations for the Navy Department did not amount to much more than \$230,000,000.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. CANFIELD. Mr. Chairman, I ask unanimous consent that the gentleman from Illinois may proceed for one additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. CANFIELD. I wonder if the gentleman from Illinois who did want to cut the Coast Guard \$50,000,000 will be willing to admit that he had to scrap a lot with the subcommittee chairman, the gentleman from New Jersey?

Mr. DIRKSEN. That is right. I think my colleagues on the subcommittee were filled with generosity when they marked up this bill.

I say that after everything has been said and done we have contrived a splendid bill with sufficient funds for every agency to properly express its proper functions and serve the people of the United States.

The CHAIRMAN. The time of the gentleman from Illinois has again expired.

The Clerk read as follows:

Rural delivery service: For pay of rural carriers, auxiliary carriers, substitutes for rural carriers on annual and sick leave, clerks in charge of rural stations, tolls and ferrage, and necessary expenses of the rural delivery service, \$129,167,000, of which not less than \$200,000 shall be available for extensions and new service.

Mr. ALBERT. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I join other members representing rural districts in regretting that a reduction of \$200,000 has been made in the budget estimates for rural free delivery. There is a demand and there is a need for additional rural routes in practically every agri-

cultural section of our country. This reduction in appropriations means the elimination of 150 additional carriers on 150 new rural routes. This means that many farmers at the end of the road will not have free mail delivery service.

Mr. Chairman, the farmer is as much entitled to this service as any resident of any city in the United States. When our country was at war and our very survival was at stake, we did not pass up the man who lives at the fork of the creek. We sent his sons into every battlefield in the world. Are we now going to decline to deliver his mail because he happens to live a little too far from the post office? This is not only false economy; it is, in my opinion, a breach of our duty to our farmer citizens. I grew up on a rural route and I know what this service means to the farmer. While we are worrying about every foreign nation on earth, I for one am going to insist on the development and extension of our rural free delivery service and our farm-to-market road program until every farmer in America has his mail delivered to his front gate.

(Mr. ALBERT asked and was given permission to revise and extend his remarks.)

The Clerk concluded the reading of the bill.

Mr. CANFIELD. Mr. Speaker, I move that the Committee do now rise and report the bill back to the House with the recommendation that the bill do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. MICHENER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 2436) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1948, and for other purposes, had directed him to report the bill back to the House with the recommendation that the bill do pass.

Mr. CANFIELD. Mr. Speaker, I move the previous question on the bill to final passage.

The previous question was ordered.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. DIRKSEN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 387, nays 0, not voting 45, as follows:

[Roll No. 20]

YEAS—387

| | | |
|------------------|----------------|----------------|
| Abernethy | Andrews, N. Y. | Bell |
| Albert | Angell | Bender |
| Allen, Calif. | Arends | Bennett, Mich. |
| Allen, Ill. | Arnold | Bennett, Mo. |
| Allen, La. | Auchincloss | Bishop |
| Almond | Bakewell | Blackney |
| Andersen, | Banta | Bland |
| H. Carl | Barrett | Blatnik |
| Anderson, Calif. | Bates, Ky. | Boggs, Del. |
| Andresen, | Bates, Mass. | Boggs, La. |
| August H. | Battle | Bolton |
| Andrews, Ala. | Beckworth | Bonner |

| | | |
|-----------------|-----------------|------------------|
| Boykin | Grant, Ind. | Marcantonio |
| Bradley, Calif. | Gregory | Martin, Iowa |
| Bradley, Mich. | Griffiths | Mason |
| Bramblett | Gross | Mathews |
| Brooks | Gwinn, N. Y. | Meade, Md. |
| Brophy | Gwynne, Iowa | Merrow |
| Brown, Ga. | Hagen | Meyer |
| Brown, Ohio | Hale | Michener |
| Bryson | Hall | Miller, Calif. |
| Buchanan | Edwin Arthur | Miller, Conn. |
| Buck | Hall | Miller, Md. |
| Buffett | Leonard W. | Miller, Nebr. |
| Burke | Halleck | Mills |
| Burleson | Hand | Mitchell |
| Busbey | Hardy | Monroney |
| Butler | Harless, Ariz. | Morgan |
| Byrne, N. Y. | Harris | Morris |
| Byrnes, Wis. | Harrison | Morton |
| Camp | Hart | Muhlenberg |
| Canfield | Havenner | Mundt |
| Cannon | Hays | Murdoch |
| Carroll | Hébert | Murray, Tenn. |
| Carson | Hedrick | Murray, Wis. |
| Case, N. J. | Hendricks | Nodar |
| Case, S. Dak. | Herter | Norblad |
| Chadwick | Heselton | Norman |
| Chelf | Hill | O'Brien |
| Chenoweth | Hinshaw | O'Hara |
| Chiperfield | Hobbs | O'Konski |
| Church | Hoeven | O'Toole |
| Clason | Hoffman | Owens |
| Clements | Hollfield | Pace |
| Clevenger | Holmes | Passman |
| Clippinger | Hope | Patman |
| Coffin | Horan | Patterson |
| Cole, Kans. | Howell | Peden |
| Cole, Mo. | Huber | Peterson |
| Combs | Hull | Philbin |
| Cooley | Jackson, Calif. | Phillips, Calif. |
| Cooper | Jackson, Wash. | Phillips, Tenn. |
| Corbett | Jarman | Pickett |
| Cotton | Javits | Ploeser |
| Coudert | Jenison | Plumley |
| Cox | Jenkins, Ohio | Poage |
| Crawford | Jennings | Potts |
| Crosser | Jensen | Poulson |
| Crow | Johnson, Calif. | Powell |
| Cunningham | Johnson, Ill. | Preston |
| Curtis | Johnson, Ind. | Price, Fla. |
| Dague | Johnson, Okla. | Price, Ill. |
| D'Alesandro | Johnson, Tex. | Priest |
| Davis, Ga. | Jones, Ala. | Rabin |
| Davis, Tenn. | Jones, N. C. | Rains |
| Dawson, Utah | Jones, Ohio | Ramey |
| Deane | Jones, Wash. | Rankin |
| Delaney | Jonkman | Rayburn |
| Devitt | Judd | Rayfiel |
| D'Ewart | Karsten, Mo. | Redden |
| Dingell | Kean | Reed, Ill. |
| Dirksen | Kearney | Reed, N. Y. |
| Dolliver | Kearns | Reeves |
| Domeneaux | Keating | Rich |
| Dondero | Kee | Richards |
| Donohue | Keefe | Riehlman |
| Dorn | Kefauver | Riley |
| Doughton | Kennedy | Rivers |
| Douglas | Kerr | Rizley |
| Drewry | Kersten, Wis. | Robertson |
| Durham | Kilburn | Robison |
| Eaton | Kilday | Rockwell |
| Eberhart | Kling | Rogers, Fla. |
| Elliott | Kirwan | Rogers, Mass. |
| Ellis | Klein | Rohrbough |
| Ellsworth | Kunkel | Rooney |
| Elsaesser | Landis | Ross |
| Elston | Lane | Russell |
| Engel, Mich. | Lanham | Sabath |
| Engle, Calif. | Latham | Sadiak |
| Fallon | Lea | Sadowski |
| Fenton | LeCompte | St. George |
| Fernandez | Lemke | Sanborn |
| Fisher | Lewis | Sarbacher |
| Flannagan | Lodge | Sasser |
| Fletcher | Love | Schwabe, Mo. |
| Fogarty | Lucas | Schwabe, Okla. |
| Folger | Lyle | Scoblick |
| Foot | Lynch | Scott, Hardie |
| Forand | McConnell | Scott, |
| Fulton | McCormack | Hugh D., Jr. |
| Gamble | McCowan | Scrivner |
| Gary | McDonough | Seely-Brown |
| Gathings | McDowell | Shafer |
| Gavin | McGarvey | Sheppard |
| Gearhart | McGregor | Sikes |
| Gifford | McMahon | Simpson, Ill. |
| Gillette | McMillan, S. C. | Simpson, Pa. |
| Gillie | McMillen, Ill. | Smathers |
| Goff | MacKinnon | Smith, Kans. |
| Goodwin | Macy | Smith, Maine |
| Gordon | Madden | Smith, Ohio |
| Gore | Mahon | Smith, Wis. |
| Gorski | Maloney | Snyder |
| Gossett | Manasco | Somers |
| Graham | Mansfield, | Spence |
| Granger | Mont. | Springer |
| Grant, Ala. | Mansfield, Tex. | Stanley |

| | | |
|---------------|-----------|--------------|
| Stefan | Tibbott | West |
| Stevenson | Tollefson | Wheeler |
| Stigler | Towe | Whitten |
| Stockman | Trimble | Whittington |
| Stratton | Twyman | Williams |
| Sundstrom | Vail | Wilson, Ind. |
| Taber | Van Zandt | Wilson, Tex. |
| Talle | Vinson | Winstead |
| Taylor | Vorys | Wolcott |
| Teague | Vursell | Wolverton |
| Thomas, N. J. | Wadsworth | Worley |
| Thomas, Tex. | Walter | Youngblood |
| Thomason | Weichel | Zimmerman |

NAYS—0

NOT VOTING—45

| | | |
|--------------|---------------|--------------|
| Barden | Feighan | Lesinski |
| Beall | Fellows | Lusk |
| Bloom | Fuller | Meade, Ky. |
| Brehm | Gallagher | Morrison |
| Buckley | Gerlach | Nixon |
| Bulwinkle | Harness, Ind. | Norrell |
| Celler | Hartley | Norton |
| Chapman | Heffernan | Pfeifer |
| Clark | Hess | Rees |
| Cole, N. Y. | Jenkins, Pa. | Short |
| Colmer | Kelley | Smith, Va. |
| Courtney | Keogh | Welch |
| Cravens | Knutson | Wigglesworth |
| Dawson, Ill. | Larcade | Wood |
| Evins | LeFevre | Woodruff |

So the bill was passed.

The Clerk announced the following pairs:

Additional general pairs:

Mr. Wigglesworth with Mr. Cravens.
 Mr. Hartley with Mr. Kelley.
 Mr. Jenkins of Pennsylvania with Mr. Pfeifer.
 Mr. Woodruff with Mr. Keogh.
 Mr. LeFevre with Mr. Feighan.
 Mr. Cole of New York with Mr. Larcade.
 Mr. Harness of Indiana with Mrs. Norton.
 Mr. Short with Mr. Heffernan.
 Mr. Hess with Mr. Wood.
 Mr. Beall with Mr. Barden.
 Mr. Brehm with Mr. Celler.
 Mr. Fellows with Mr. Lesinski.
 Mr. Nixon with Mr. Morrison.
 Mr. Fuller with Mrs. Lusk.
 Mr. Gallagher with Mr. Dawson of Illinois.
 Mr. Knutson with Mr. Colmer.
 Mr. Rees with Mr. Clark.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

CORRECTION OF RECORD

Mr. HENDRICKS. Mr. Speaker, on roll call No. 19, on the conference report on the deficiency bill my name was called. I was present and voted "aye." I thought my name had not been recorded. I checked the RECORD and found it was not. I therefore ask that my name appear as having voted for the conference report.

The SPEAKER. Without objection, the RECORD and Journal will be corrected accordingly.

There was no objection.

EXTENSION OF REMARKS

Mr. POAGE asked and was given permission to extend his remarks in the Appendix of the RECORD.

Mr. MCCORMACK asked and was given permission to revise and extend the remarks he made in the Committee of the Whole this afternoon and to include therein a letter from Commissioner Johnson of the customs service.

Mr. TEAGUE asked and was given permission to extend his remarks in two instances and in each to include a newspaper article.

Mr. REED of New York asked and was given permission to extend his remarks

in two instances and in each to include a newspaper article.

Mr. SMITH of Ohio asked and was given permission to extend his remarks in the Appendix of the RECORD and include an article on Bretton Woods by John Kelley.

Mr. DIRKSEN asked and was given permission to revise and extend his remarks.

CORRECTION OF THE RECORD

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent that the RECORD may be corrected as follows: On page 1949, column 3, line 6, in my answer the figure "\$8,000,000" should be "\$82,000,000."

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

GENERAL LEAVE TO EXTEND ON
TREASURY-POST OFFICE BILL

Mr. CANFIELD. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days within which to extend their remarks on the Treasury-Post Office appropriation bill passed this afternoon.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

BILL PRESENTED TO THE PRESIDENT

Mr. LECOMPTE, from the Committee on Enrolled Bills, reported that that committee did on March 10, 1947, present to the President, for his approval, a bill of the House of the following title:

H. R. 1030. An act to continue in effect certain war excise tax rates, and for other purposes.

ADJOURNMENT

Mr. HALLECK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 1 minute p. m.) the House adjourned until tomorrow, Wednesday, March 12, 1947, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON BANKING AND CURRENCY
(Wednesday, March 12, 1947)

The Committee on Banking and Currency will meet at 10 a. m., Wednesday, March 12, 1947, in the committee room, 1301 New House Office Building, to continue its hearings on sugar legislation.

COMMITTEE ON INTERSTATE AND FOREIGN
COMMERCE

(Wednesday, March 12, 1947)

There will be a meeting of the Committee on Interstate and Foreign Commerce, at 10 o'clock a. m., Wednesday, March 12, 1947.

Business to be considered: Executive session. Conference with officials of the Securities and Exchange Commission pursuant to the Legislative Reorganization Act of 1946.

(Wednesday, March 12, 1947)

There will be a meeting of the Committee on Interstate and Foreign Commerce, at 2 o'clock p. m., Wednesday, March 12, 1947.

Business to be considered: Executive session. Conference with officials of the Interior Department, with respect to pe-

80TH CONGRESS
1ST SESSION

H. R. 2436

IN THE SENATE OF THE UNITED STATES

MARCH 12 (legislative day, FEBRUARY 19), 1947

Read twice and referred to the Committee on Appropriations

AN ACT

Making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1948, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 TITLE I—TREASURY DEPARTMENT

4 That the following sums are appropriated, out of any money
5 in the Treasury not otherwise appropriated, for the Treasury
6 Department for the fiscal year ending June 30, 1948,
7 namely:

1 OFFICE OF THE SECRETARY

2 Salaries: For personal services in the District of Colum-
3 bia, \$409,000: *Provided*, That no part of the money appro-
4 priated shall be used to pay the salaries of more than
5 eighteen messengers assigned to duty in the Office of the
6 Secretary.

7 Personal or property damage claims: For payment of
8 claims pursuant to part 2 of the Federal Tort Claims Act
9 of August 2, 1946 (Public Law 601), \$20,000.

10 Penalty mail costs: For deposit in the general fund of
11 the Treasury for cost of penalty mail of the Treasury De-
12 partment as required by the Act of June 28, 1944,
13 \$6,700,000.

14 OFFICE OF GENERAL COUNSEL

15 Salaries: For personal services in the District of Colum-
16 bia, \$450,000.

17 DIVISION OF PERSONNEL

18 Salaries: For personal services in the District of
19 Columbia, \$127,000.

20 Health service programs, Treasury Department: For
21 expenses necessary in maintaining health service programs,
22 pursuant to Public Law 658, Seventy-ninth Congress, for

1 employees of the Department in the District of Columbia,
2 \$75,000: *Provided*, That other appropriations in this Act
3 shall be available for health service program in the field as
4 authorized by said Public Law 658.

5 OFFICE OF CHIEF CLERK

6 Salaries: For personal services in the District of Colum-
7 bia, \$326,000.

8 MISCELLANEOUS EXPENSES, TREASURY DEPARTMENT

9 Miscellaneous expenses: For necessary expenses of the
10 Office of the Secretary and the bureaus and offices of the
11 Treasury Department, not otherwise provided for; including
12 operating expenses of the Treasury, Treasury Annex, Audi-
13 tors', and Liberty Loan Buildings; \$225,000.

14 Printing and binding: For printing and binding for the
15 Department except such bureaus and offices as may be other-
16 wise provided for, including materials for the use of the
17 bookbinder, located in the Department, but not including
18 work done at the New York Customhouse bindery authorized
19 by the Joint Committee on Printing in accordance with the
20 Act of March 1, 1919 (44 U. S. C. 111), \$35,000.

21 CUSTODY OF TREASURY BUILDINGS

22 Salaries: For personal services in the District of Colum-

1 bia, including the operating force of the Treasury Building.
2 the Treasury Annex, the Liberty Loan Building, the Audi-
3 tors' Building, and the west and south annexes thereof.
4 \$650,000.

5 FISCAL SERVICE

6 BUREAU OF ACCOUNTS

7 Salaries and expenses: For necessary expenses in the
8 District of Columbia, including contract stenographic report-
9 ing services, \$1,016,000.

10 Salaries and expenses, deposit of withheld taxes: For
11 necessary expenses incident to the deposit of withheld
12 taxes in Government depositories pursuant to the Current
13 Tax Payment Act of 1943, including personal services in
14 the District of Columbia and reimbursement to Federal
15 Reserve banks for printing and other necessary expenses,
16 \$460,000.

17 Printing and binding: For printing and binding, Bureau
18 of Accounts, \$60,000.

19 Salaries and expenses: For necessary expenses of the
20 Division of Disbursement, including personal services in the
21 District of Columbia, \$9,935,000: *Provided*, That with the
22 approval of the Bureau of the Budget there may be trans-
23 ferred to this appropriation and to the appropriation "Print-
24 ing and binding, Division of Disbursement" from Railroad
25 Retirement Board, "Conservation and use of agricultural

1 land resources, Department of Agriculture," and from avail-
2 able corporate funds of Government-owned or -controlled
3 corporations, such sums as may be necessary to cover the
4 expense incurred in performing the function of disbursement
5 therefor.

6 Printing and binding: For printing and binding,
7 Division of Disbursement, including the cost of transporta-
8 tion to field offices of printed and bound material and the cost
9 of necessary packing boxes and packing materials, \$170,000.

10 Contingent expenses, public moneys: For contingent
11 expenses under the requirements of section 3653 of the Re-
12 vised Statutes (31 U. S. C. 545), for the collection, safekeep-
13 ing, transfer, and disbursement of the public money, trans-
14 portation of notes, bonds, and other securities of the United
15 States, transportation of gold coin and gold certificates trans-
16 ferred to Federal Reserve banks and branches, United States
17 mints and assay offices, and the Treasury, after March 9,
18 1933, actual expenses of examiners detailed to examine the
19 books, accounts, and money on hand at the several deposi-
20 tories, including national banks acting as depositories under
21 the requirements of section 3649, Revised Statutes (31
22 U. S. C. 548), also including examinations of cash accounts
23 at mints, \$400,000.

24 Recoinage of silver coins: For expenses necessary to
25 continue the recoinage of worn and uncurrent subsidiary

1 silver coins of the United States now in the Treasury or
2 hereafter received, and to reimburse the Treasurer of the
3 United States for the difference between the nominal or face
4 value of such coins and the amount the same will produce in
5 new coins, \$200,000.

6 Relief of the indigent, Alaska: For the payment to the
7 United States district judges in Alaska (not to exceed 10
8 per centum of the receipts from licenses collected outside
9 of incorporated towns in Alaska), to be expended for the
10 relief of persons in Alaska who are indigent and incapacitated
11 through nonage, old age, sickness, or accident,
12 \$14,000.

13 Refund of moneys erroneously received and covered:
14 For meeting any expenditures of the character formerly
15 chargeable to the appropriation accounts abolished under
16 section 18 of the Permanent Appropriation Repeal Act of
17 1934, approved June 26, 1934, and any other collections
18 erroneously received and covered which are not properly
19 chargeable to any other appropriation, \$700,000.

20 Payment of certified claims: For the payment of claims
21 (not to exceed \$500 in any case) which may be certified
22 during the fiscal year 1948 by the Comptroller General of
23 the United States to be lawfully due, within the limits of,
24 and chargeable against the balances of the respective appropriations
25 heretofore made which, after remaining unex-

1 pending, have been carried to the surplus fund pursuant to
2 section 5 of the Act of June 20, 1874 (31 U. S. C. 713),
3 \$700,000.

4 Payment of unclaimed moneys: For meeting any ex-
5 penditures of the character formerly chargeable to the
6 appropriation accounts abolished under section 17 of the
7 Permanent Appropriation Repeal Act of 1934, approved
8 June 26, 1934, payable from the funds held by the United
9 States in the trust fund receipt account "Unclaimed moneys
10 of individuals whose whereabouts are unknown", \$100,000.

11 BUREAU OF THE PUBLIC DEBT

12 Administering the public debt: For necessary expenses
13 connected with any public-debt operations authorized by
14 the Second Liberty Bond Act, as amended (31 U. S. C.
15 760-762), and with the administration of any public debt
16 or currency issues of the United States with which the Secre-
17 tary of the Treasury is charged, \$64,800,000, to be expended
18 as the Secretary of the Treasury may direct: *Provided,*
19 That from the amount appropriated herein, the Federal
20 Reserve banks and their branches may be reimbursed for
21 expenditures made by them as fiscal agents of the United
22 States on account of public-debt transactions for the account
23 of the Secretary of the Treasury, and advances to the Post-
24 master General may be made in accordance with the pro-
25 visions of section 22 (c) of the Second Liberty Bond Act,

1 as amended (31 U. S. C. 757c (e)), which section shall
2 be construed as applying to this appropriation: *Provided*
3 *further*, That the indefinite appropriation provided by sec-
4 tion 10 of the Second Liberty Bond Act, as amended, shall
5 not be available for obligation during the fiscal year 1948.

6 Distinctive paper for United States currency: For dis-
7 tinctive paper for United States currency, including trans-
8 portation of paper, traveling, mill, and other necessary ex-
9 penses, and salaries of employees and allowance, in lieu
10 of expenses, of officer or officers detailed from the Treasury
11 Department, not exceeding \$50 per month each when ac-
12 tually on duty, \$1,113,000: *Provided*, That in order to foster
13 competition in the manufacture of distinctive paper for
14 United States securities, the Secretary of the Treasury is
15 authorized, in his discretion, to split the award for such
16 paper for the fiscal year 1948 between the two bidders whose
17 prices per pound are the lowest received after advertisement.

18 OFFICE OF THE TREASURER OF THE UNITED STATES

19 Salaries and expenses: For necessary expenses of the
20 Office of the Treasurer, \$4,900,000: *Provided*, That with
21 the approval of the Bureau of the Budget, there may be
22 transferred to this appropriation and to the appropriation
23 "Printing and binding, Office of the Treasurer", from
24 Railroad Retirement Board, "Conservation and use of
25 agricultural land resources, Department of Agriculture," and

1 from available corporate funds of Government owned or con-
2 trolled corporations, such sums as may be necessary to cover
3 the expenses incurred in the clearing of checks, servicing of
4 bonds, handling of collections, and rendering of accounts
5 therefor.

6 Printing and binding: For printing and binding for
7 the Office of the Treasurer, \$140,000.

8 BUREAU OF CUSTOMS

9 Salaries and expenses: For collecting the revenue from
10 customs, for enforcement, under section 102, Reorganization
11 Plan No. III of 1946, of certain navigation laws, for the
12 detection and prevention of frauds upon the customs revenue,
13 and not to exceed \$100,000 for the securing of evidence of
14 violations of the customs and navigation laws; for expenses
15 of transportation and transfer of customs receipts from points
16 where there are no Government depositories; not to exceed
17 \$500 for subscriptions to newspapers; not to exceed \$85,000
18 for stationery; not to exceed \$12,000 for improving, repair-
19 ing, maintaining, or preserving buildings, inspection stations,
20 office quarters, including living quarters for officers, sheds,
21 and sites along the Canadian and Mexican borders acquired
22 under authority of the Act of June 26, 1930 (19 U. S. C.
23 68) ; and for the purchase of one hundred and fifty passenger
24 motor vehicles; for the cost of seizure, storage, and disposition

1 of any merchandise, vehicle and team, automobile, boat, air
2 or water craft, or any other conveyance seized under the
3 provisions of the customs laws; for the purchase of arms,
4 ammunition, and accessories; not to exceed \$826,000 for
5 personal services in the District of Columbia exclusive of
6 ten persons from the field force authorized to be detailed
7 under section 525 of the Tariff Act of 1930; \$32,500,000,
8 of which \$300,000 shall constitute an advance fund to enable
9 the Bureau of Customs to meet obligations incurred by it
10 arising from services rendered to private interests, pending
11 receipt of reimbursements therefrom, which amount shall
12 be returned to the Treasury not later than six months after
13 the close of the fiscal year 1948.

14 Printing and binding: For printing and binding, Bureau
15 of Customs, including the cost of transportation to field offices
16 of printed and bound material and the cost of necessary
17 packing boxes and packing materials, \$95,000.

18 Refunds and draw-backs: For the refund or payment of
19 customs collections or receipts, and for the payment of de-
20 bentures or draw-backs, bounties, and allowances, as author-
21 ized by law, \$15,000,000.

22 BUREAU OF INTERNAL REVENUE

23 Salaries and expenses: For necessary expenses in con-
24 nection with the assessment and collection of internal-revenue

1 taxes and the administration of the internal-revenue laws,
2 including the administration of such provisions of other
3 laws as are authorized by or pursuant to law to be admin-
4 istered by or under the direction of the Commissioner of
5 Internal Revenue, including one stamp agent (to be reim-
6 bursed by the stamp manufacturers) and the employment of
7 experts; the securing of evidence of violations of the Acts,
8 the cost of chemical analyses made by others than employees
9 of the United States and expenses incident to such chemists
10 testifying when necessary; necessary expenses incurred in
11 making investigations in connection with the enrollment or
12 disbarment of practitioners before the Treasury Department
13 in internal-revenue matters, expenses of seizure and sale, and
14 contract stenographic reporting services; for the acquisition
15 of property under the provisions of title III of the Liquor
16 Law Repeal and Enforcement Act, approved August 27,
17 1935 (49 Stat. 872-881), and the operation, maintenance,
18 and repair of property acquired under such title III;
19 purchase (not to exceed thirty-four) and hire of passenger
20 motor vehicles; printing and binding (not to exceed \$2,480,-
21 000) ; stationery (not to exceed \$1,425,000) , and ammunition,
22 \$178,000,000, of which amount not to exceed \$16,530,000
23 may be expended for personal services in the District of
24 Columbia and not to exceed \$100,000 for detecting and

1 bringing to trial persons guilty of violating the internal-
2 revenue laws or conniving at the same, including payments
3 for information and detection of such violation.

4 Additional income tax on railroads in Alaska: For the
5 payment to the Treasurer of Alaska of an amount equal to
6 the tax of 1 per centum collected on the gross annual income
7 of all railroad corporations doing business in Alaska, on busi-
8 ness done in Alaska, which tax is in addition to the normal
9 income tax collected from such corporations on net income,
10 the amount of such additional tax to be applicable to general
11 Territorial purposes, \$3,500.

12 Refunding internal-revenue collections: For refunding
13 internal-revenue collections, as provided by law, including the
14 payment of claims for the prior fiscal years and payment of
15 accounts arising under "Allowance or draw-back (Internal
16 Revenue)", "Redemption of stamps (Internal Revenue)",
17 "Refunding legacy taxes, Act of March 30, 1928", "Repay-
18 ment of taxes on distilled spirits destroyed by casualty", and
19 "Refunds and payments of processing and related taxes",
20 \$1,231,000,000: *Provided*, That a report shall be made to
21 Congress by internal-revenue districts and alphabetically
22 arranged of all disbursements hereunder in excess of \$500 as
23 required by section 3 of the Act of May 29, 1928 (sec. 3776,
24 I. R. C.), including the names of all persons and corpora-

1 tions to whom such payments are made, together with the
2 amount paid to each.

3 BUREAU OF NARCOTICS

4 Salaries and expenses: For expenses, including the
5 securing of information and evidence, necessary to enforce
6 sections 2550-2565; 2567-2571; 2590-2603; 3220-3228;
7 3230-3238 of the Internal Revenue Code; the Narcotic
8 Drugs Import and Export Act, as amended (21 U. S. C.
9 171-184) ; the Act of June 14, 1930 (5 U. S. C. 282-282c
10 and 21 U. S. C. 197-198) and the Opium Poppy Control
11 Act of 1942 (21 U. S. C. Supp. V, 188-188n),
12 including the employment of attorneys; services as authorized
13 by section 15 of the Act of August 2, 1946 (Public Law
14 600) ; the costs of chemical analyses made by others than
15 employees of the United States; cost incurred by officers and
16 employees of the Bureau of Narcotics in the seizure, forfei-
17 ture, storage, and disposition of property under the Act of
18 August 9, 1939 (49 U. S. C. 781-788) , and the internal-
19 revenue laws; hire of motor vehicles; purchase of arms and
20 ammunition; in all, \$1,430,000, of which amount not to
21 exceed \$224,000 may be expended for personal services in
22 the District of Columbia; not exceeding \$10,000 for the
23 collection and dissemination of information and appeal for
24 law observance and law enforcement, including cost of

1 printing, and not exceeding \$10,000 for services or informa-
2 tion looking toward the apprehension of narcotic law violators
3 who are fugitives from justice.

4 Printing and binding: For printing and binding for the
5 Bureau, \$4,000.

6 BUREAU OF ENGRAVING AND PRINTING

7 For the work of engraving and printing, exclusive of
8 repay work United States currency and internal-revenue
9 stamps, including opium orders and special-tax stamps re-
10 quired under the Act of December 17, 1914 (26 U. S. C.
11 1040, 1383), checks, drafts, and miscellaneous work, as
12 follows:

13 Salaries and expenses: For the Director, two Assistant
14 Directors, and other personal services in the District of
15 Columbia, including wages of rotary press plate printers at
16 per diem rates and all other plate printers at piece rates to
17 be fixed by the Secretary of the Treasury, not to exceed the
18 rates usually paid for such work; and other necessary ex-
19 penses, including engravers' and printers' materials and other
20 materials, including distinctive and nondistinctive paper,
21 except distinctive paper for United States currency and
22 Federal Reserve bank currency; purchase of card and con-
23 tinuous form checks; equipment of, repairs to, and mainte-
24 nance of buildings and grounds and minor alterations to
25 buildings; periodicals, examples of engraving and printing,

1 including foreign securities and stamps, and books of refer-
2 ence, not to exceed \$500; traveling expenses not to exceed
3 \$15,000; transfer to the Bureau of Standards for scientific
4 investigations in connection with the work of the Bureau
5 of Engraving and Printing, not to exceed \$15,000;
6 \$12,000,000, to be expended under the direction of the
7 Secretary of the Treasury.

8 Printing and binding: For printing and binding for the
9 Bureau of Engraving and Printing, \$5,000.

10 During the fiscal year 1948 all proceeds derived
11 from work performed by the Bureau of Engraving and Print-
12 ing, by direction of the Secretary of the Treasury, not covered
13 and embraced in the appropriations for such Bureau for such
14 fiscal year, instead of being covered into the Treasury as
15 miscellaneous receipts, as provided by the Act of August 4,
16 1886 (31 U. S. C. 176), shall be credited when received
17 to the appropriations for such Bureau for the fiscal year
18 1948.

19 SECRET SERVICE DIVISION

20 Salaries: For personal services in the District of Colum-
21 bia, \$85,000.

22 Suppressing counterfeiting and other crimes: For neces-
23 sary expenses in detecting, arresting, and delivering into the
24 custody of the United States marshal or other officer having
25 jurisdiction, dealers and pretended dealers in counterfeit

1 money, persons engaged in counterfeiting, forging, and
2 altering United States notes, bonds, national bank notes,
3 Federal Reserve notes, Federal Reserve bank notes, and
4 other obligations and securities of the United States and
5 of foreign governments (including endorsements thereon and
6 assignments thereof), as well as the coins of the United
7 States and of foreign governments, and persons com-
8 mitting other crimes against the laws of the United States
9 relating to the Treasury Department and the several branches
10 of the public service under its control; purchase of seventy-
11 five and hire of motor passenger vehicles; purchase of arms
12 and ammunition; and for the protection of the person of the
13 President and the members of his immediate family and of
14 the person chosen to be President of the United States,
15 \$1,550,000: *Provided*, That of the amount herein appro-
16 priated not to exceed \$15,000 may be expended for the pur-
17 pose of securing information concerning violations of the laws
18 relating to the Treasury Department, and for services or in-
19 formation looking toward the apprehension of criminals, and
20 all vouchers claiming reimbursement from such amount of
21 \$15,000 shall have the approval of the Chief of the Secret
22 Service before payment.

23 White House Police: For salaries of the White House
24 Police as authorized by law (3 U. S. C. 62), \$270,000.

25 For uniforming and equipping the White House Police,

1 including the purchase, issue, and repair of revolvers, and
2 the purchase and issue of ammunition and miscellaneous
3 supplies, to be procured in such manner as the President may
4 determine, \$6,000.

5 Salaries and expenses, guard force, Treasury buildings:
6 For expenses of the guard force for Treasury Department
7 buildings in the District of Columbia, including the Bureau
8 of Engraving and Printing, and elsewhere, including pur-
9 chase, repair, and cleaning of uniforms, purchase of two
10 passenger motor vehicles, and the purchase of arms and
11 ammunition and miscellaneous equipment, \$720,000: *Pro-*
12 *vided*, That not to exceed \$168,925 of the appropriation
13 "Salaries and expenses, Bureau of Engraving and Print-
14 ing", may be transferred to this appropriation to cover serv-
15 ice rendered such Bureau in connection with the protection
16 of currency, bonds, stamps, and other papers of value the cost
17 of producing which is not covered and embraced in the direct
18 appropriations for such Bureau: *Provided further*, That the
19 Secretary of the Treasury may detail two agents of the Secret
20 Service to supervise such force.

21 Printing and binding: For printing and binding for the
22 Secret Service Division, \$8,000.

23 Reimbursement to District of Columbia, benefit pay-
24 ments to White House Police and Secret Service forces: For

1 reimbursement to the District of Columbia on a monthly basis
2 for benefit payments made from the revenues of the District
3 of Columbia to members of the White House Police force
4 and such members of the United States Secret Service Division
5 as are entitled thereto under the Act of October 14,
6 1940 (54 Stat. 1118), to the extent that such benefit payments
7 are in excess of the salary deductions of such members
8 credited to said revenues of the District of Columbia during
9 the fiscal year 1948, pursuant to section 12 of the Act
10 of September 1, 1916 (39 Stat. 718), as amended, \$68,500.

11

BUREAU OF THE MINT

12 Office of the Director: For personal services in
13 the District of Columbia and for assay laboratory chemicals,
14 fuel, materials, balances, weights, specimens of
15 coins, ores, and travel and other expenses incident to
16 the examination of mints, visiting mints for the purpose
17 of superintending the annual settlement, and for the collection
18 of statistics relative to the annual production and consumption
19 of the precious metals in the United States,
20 \$185,000.

21 Transportation of bullion and coin: For transportation
22 of bullion and coin, between mints, assay offices, and bullion
23 depositories, \$22,500, including compensation of temporary
24 employees and other necessary expenses.

25 Mints and assay offices: For necessary expenses at the

1 mints at Philadelphia, Pennsylvania; San Francisco, Cali-
2 fornia; and Denver, Colorado; the assay offices at New York,
3 New York; and Seattle, Washington, and the bullion deposi-
4 tories at Fort Knox, Kentucky; and West Point, New York,
5 and for carrying out the provisions of the Gold Reserve
6 Act of 1934 and the Silver Purchase Act of 1934, including
7 new machinery and repairs, arms and ammunition, purchase
8 and maintenance of uniforms and accessories for guards, pro-
9 tective devices, and their maintenance, training of employees
10 in use of fire arms and protective devices, purchase of a sta-
11 tion wagon, cases and enameling for medals manufactured, net
12 wastage in melting and refining and in coining departments,
13 loss on sale of sweeps arising from the treatment of bullion and
14 the manufacture of coins, not to exceed \$1,000 for the expen-
15 ses of the annual assay commission, and not exceeding \$1,000
16 for the acquisition, at the dollar face amount or otherwise, of
17 specimen and rare coins, including United States and foreign
18 gold coins and pieces of gold used as, or in lieu of, money,
19 and ores, for addition to the Government's collection of such
20 coins, pieces, and ores; \$6,250,000.

21 Printing and binding: For printing and binding for the
22 Bureau of the Mint, \$10,000.

23 BUREAU OF FEDERAL SUPPLY

24 Salaries and expenses: For necessary expenses, includ-
25 ing personal services in the District of Columbia and in the

1 field service, office supplies and materials, stationery, fuel,
2 light, electric current, and other expenses for carrying into
3 effect regulations governing the procurement, warehousing,
4 and distribution by the Bureau of Federal Supply of the
5 Treasury Department of property, equipment, stores, and
6 supplies in the District of Columbia and in the field, \$1,-
7 310,000: *Provided*, That the Secretary of the Treasury is
8 authorized and directed to transfer to this appropriation
9 from any appropriations or funds available to the several
10 departments and establishments of the Government such
11 amounts as may be approved by the Bureau of the Budget,
12 not to exceed the sum of (a) the amount of the annual com-
13 pensation of employees who may be transferred or detailed
14 to the Bureau of Federal Supply, respectively, from any such
15 department or establishment, where the transfer or detail of
16 such employee is incident to a transfer of a function or
17 functions to that Bureau and (b) such amount as the Bureau
18 of the Budget may determine to be necessary for expenses
19 other than personal services incident to the proper carrying
20 out of functions so transferred: *Provided further*, That when
21 there has been or shall be transferred from any agency of
22 the Government to the Bureau of Federal Supply any func-
23 tion of warehousing, and the agency from which such
24 function is being transferred is authorized at the time of
25 such transfer to perform functions of procurement, ware-

1 housing, or distribution of property, equipment, stores, or
2 supplies for non-Federal agencies the Bureau of Federal
3 Supply is authorized to continue the performance of such
4 functions for such non-Federal agencies where such functions
5 are to be discontinued by the agency from which the ware-
6 housing function has been transferred, and the receipts, in-
7 cluding surcharge, for all issues to and all advances by all
8 non-Federal agencies shall be credited to the general supply
9 fund: *Provided further*, That payments to the general sup-
10 ply fund for materials, and supplies (including fuel), and
11 services, and overhead expenses for all issues shall be made
12 on the books of the Treasury Department by transfer and
13 counterwarrants prepared by the Bureau of Federal Supply
14 of the Treasury Department and countersigned by the
15 Comptroller General, such warrants to be based solely on
16 itemized invoices prepared by the Bureau of Federal Supply
17 at issue prices to be fixed by the Director of Federal Supply:
18 *Provided further*, That payments covering transactions be-
19 tween the Bureau of Federal Supply and field offices of
20 other Government agencies whose detailed appropriation
21 or fund accounts are maintained elsewhere than within the
22 District of Columbia, may be made on the basis of itemized
23 vouchers or invoices prepared by the Bureau of Federal
24 Supply and sent through the appropriate field offices to the
25 disbursing officers for the agencies involved, who are hereby

1 authorized to make payment based (1) upon certification
2 of the Bureau of Federal Supply, which shall include the
3 specific statement that the vouchers are issued pursuant to
4 and in conformity with purchase orders or requisitions duly
5 executed by the agency billed, and (2) upon approval and
6 certification of such vouchers by the agency billed, which
7 action shall be based upon acceptance of the Bureau of Fed-
8 eral Supply certification as made, subject to later adjustment
9 if necessary, the responsibility of the certifying officer to be
10 limited to the availability of the funds to be charged: *Pro-*
11 *vided further*, That the general supply fund may be used to
12 purchase from or through the Public Printer standard forms
13 and blank-book work for field warehouse stocking and issue,
14 but issues thereof shall be made only to Government agencies
15 and shall be chargeable to applicable appropriation authori-
16 zations or limitations of such agencies for printing and bind-
17 ing, and reports of such issues shall be made as the Public
18 Printer may require: *Provided further*, That advances re-
19 ceived pursuant to law (31 U. S. C. 686) from departments
20 and establishments of the United States Government and the
21 government of the District of Columbia during the fiscal year
22 1948 shall be credited to the general supply fund: *Provided*
23 *further*, That during the fiscal year 1948 there shall be available
24 from the general supply fund for personal services in the District
25 of Columbia not to exceed \$1,520,000: *Provided further*,

1 That per diem employees engaged in work in connection
2 with operations of the fuel yards may be paid rates of pay
3 approved by the Secretary of the Treasury not exceeding
4 current rates for similar services in the District of Columbia:
5 *Provided further*, That the term "fuel" shall be held to
6 include "fuel oil": *Provided further*, That the reconditioning
7 and repair of surplus property and equipment for disposition
8 or reissue to Government service, may be made at cost
9 by the Bureau of Federal Supply, payment therefor to be
10 effected by charging the proper appropriation and crediting
11 the general supply fund.

12 Repairs to typewriting machines (except bookkeeping
13 and billing machines) in the Government service in the
14 District of Columbia and areas adjacent thereto may be made
15 at cost by the Bureau of Federal Supply, payment therefor
16 to be effected by charging the proper appropriation and
17 crediting the general supply fund.

18 No part of any money appropriated by this or any other
19 Act shall be used during the fiscal year 1948 for
20 the purchase, within the continental limits of the United
21 States, of any standard typewriting machines (except book-
22 keeping, billing, and electric machines) at a price in excess
23 of the following for models with carriages which will accom-
24 modate paper of the following widths, to wit: Ten inches
25 (correspondence models), \$77; twelve inches, \$82.50; four-

1 detail increases above thirty the total number of enlisted
2 men detailed to such duty at any time: *Provided further,*
3 That no part of this appropriation shall be used for increased
4 pay for making aerial flights by nonflying officers or ob-
5 servers at rates in excess of those prescribed by law for the
6 Army, which shall be the legal maximum rates as to such
7 nonflying officers or observers: *Provided further,* That ex-
8 penditures out of the foregoing appropriation shall not exceed
9 the limitations set forth in the following categories, namely:

10 Office of Commandant: For personal services at the seat
11 of government, not to exceed \$2,000,000;

12 Pay and allowances: For pay and allowances prescribed
13 by law for commissioned officers, cadets, warrant officers,
14 petty officers, and other enlisted personnel, active and retired,
15 temporary cooks, surfmen, substitute surfmen, and six civilian
16 instructors; retired pay for certain members of the former
17 Life Saving Service authorized by the Act approved April
18 14, 1930 (14 U. S. C. 178a); not exceeding \$10,000 for
19 cash prizes for men for excellence in boatmanship, gunnery,
20 target practice, and engineering competitions; transportation
21 of dependents of Coast Guard personnel on active duty and
22 retired and Reserve officers and of retired and Reserve en-
23 listed personnel, of grades entitled to transportation of de-
24 pendents in the Regular Coast Guard, when ordered to active

1 duty (other than training) and upon relief therefrom; carry-
2 ing out the provisions of the Act of June 4, 1920 (34 U. S.
3 C. 943); not to exceed \$20,000 for cost of special
4 instruction, including books, laboratory equipment and fees,
5 school supplies, and maintenance of students; motion-
6 picture and other equipment for instructional purposes;
7 rations or commutation thereof for cadets, petty officers,
8 other enlisted personnel, and members of the Coast
9 Guard Auxiliary when assigned specific duties under the pro-
10 visions of section 8, Act of February 19, 1941, as amended
11 (14 U. S. C. 267), mileage and expenses allowed by law
12 for officers, including per diem rates of allowance, and the
13 Secretary is hereby authorized to prescribe per diem rates of
14 allowance for Public Health Service officers detailed to the
15 Coast Guard as authorized for Coast Guard officers; actual
16 and necessary expenses or per diem in lieu thereof as the
17 Secretary may determine and approve for Coast Guard per-
18 sonnel on special duty in foreign countries; traveling expenses
19 of other persons traveling on duty under orders from the
20 Treasury Department, including transportation of cadets,
21 enlisted personnel, and applicants for enlistment, with sub-
22 sistence and transfers en route, or cash in lieu thereof; trans-
23 portation in kind and subsistence to discharged cadets;
24 uniform clothing for enlisted men as provided by law
25 (14 U. S. C. 13); clothing for enlisted personnel au-

1 thorized by law; civilian clothing, including an overcoat
2 when necessary, the cost of all not to exceed \$30 per person
3 to enlisted personnel given discharges for bad conduct, un-
4 desirability, unsuitability, or inaptitude; reimbursement in
5 kind or in cash as authorized by law to persons in the Coast
6 Guard for personal property lost, destroyed, or damaged;
7 actual expenses of officers and cadets and quarters and sub-
8 sistence of enlisted personnel on shore patrol, emergency
9 shore detail and other detached duty, or cash in lieu thereof;
10 hire of quarters for officers serving with troops where suf-
11 ficient quarters are not possessed by the United States to
12 accommodate them; hire of quarters for Coast Guard per-
13 sonnel comparable to quarters assignable on a capital ship of
14 the Navy, as authorized by the Secretary to meet emergency
15 conditions, including officers and men on sea duty at such
16 times as they may be deprived of their quarters on board ship
17 due to repairs or other conditions which may render them
18 uninhabitable: *Provided*, That under this authorization no
19 funds may be expended for the hire of quarters for occupancy
20 by the dependents of officers or enlisted personnel; expenses
21 of recruiting for the Coast Guard; advertising for and ob-
22 taining enlisted personnel and applicants for appointment as
23 cadets; training of enlisted personnel, including textbooks,
24 school supplies, and correspondence courses; transfer of
25 household goods and effects of Coast Guard and Coast Guard

1 Reserve personnel on active duty and when ordered to active
2 duty and upon relief therefrom, and the transfer of household
3 goods and effects of deceased Coast Guard and Coast Guard
4 Reserve personnel who die while on active duty, as prescribed
5 by law and regulations; transportation on Government-owned
6 vessels of privately owned automobiles of Coast Guard per-
7 sonnel upon change of station; purchase of provisions for sale
8 to Coast Guard personnel at isolated stations, and the appro-
9 priation reimbursed; and including not to exceed \$50,000
10 for recreation, amusement, comfort, contentment, and health
11 of the enlisted personnel of the Coast Guard, to be expended
12 pursuant to regulations prescribed by the Secretary; appre-
13 hension and delivery of deserters and stragglers; in all, not
14 to exceed \$70,000,000: *Provided*, That money accruing from
15 commutation of rations of enlisted personnel commuted for the
16 benefit of any mess may be paid on proper voucher to the
17 officer in charge of such mess: *Provided further*, That when-
18 ever commissioned officers of the Coast Guard, who were
19 civilian employees of the former Bureau of Marine Inspec-
20 tion and Navigation, resume their status as civilian employees
21 of the Coast Guard, or whenever civilian employees of the
22 Coast Guard, who were employed in the former Bureau of
23 Marine Inspection and Navigation, are commissioned as
24 officers of the Coast Guard, the limitation provided for "Civil-
25 ian Employees, Coast Guard" may be exceeded, with the

1 approval of the Bureau of the Budget, by the amount of their
2 pay as civilian employees and the limitation provided for
3 "Pay and allowances" reduced in a like amount or vice versa,
4 as the case may be;

5 General expenses, Coast Guard: For expenses necessary
6 for the operation and maintenance of the Coast Guard
7 ashore and afloat, except as specifically provided for in
8 other appropriations, including personal services at the seat
9 of government and elsewhere; contract stenographic report-
10 ing services, pursuant to section 15 of the Act of August 2,
11 1946 (Public Law 600) ; printing and binding; purchase of
12 fifty-eight passenger motor vehicles and maintenance, opera-
13 tion, and repair of aircraft; improvement of property for Coast
14 Guard purposes, including rental, purchase, or use of addi-
15 tional land where necessary and the purchase of land for
16 beacons, daymarks, and fog signals; rations and provisions, or
17 commutation thereof, for working parties in the field, officers
18 and crews of light vessels and tenders, and officials and other
19 authorized persons of the Coast Guard on duty on board
20 such tenders or vessels, but money accruing from commuta-
21 tion of rations and provisions for the above-named persons on
22 board tenders and light vessels or in working parties in the
23 field may be paid on proper voucher to the person having
24 charge of the mess of such vessel or party; subsistence and

1 clothing for shipwrecked and destitute persons, including
2 reimbursement, under rules prescribed by the Secretary, of
3 Coast Guard personnel who furnish from their personal
4 stock subsistence and clothing to such persons; for payment
5 of claims authorized under section 1 of Public Law 277,
6 Seventy-ninth Congress, as amended by Public Law 327,
7 Seventy-ninth Congress; not to exceed \$2,500 for contingen-
8 cies for the Superintendent; United States Coast Guard
9 Academy, to be expended in his discretion; payment of
10 rewards for the apprehension and conviction, or for informa-
11 tion helpful therein, of persons found interfering in violation
12 of law with aids to navigation maintained by the Coast
13 Guard; in all, not to exceed \$29,700,000: *Provided*, That
14 the number of aircraft on hand at any one time shall not
15 exceed one hundred and ten exclusive of planes and parts
16 stored to meet future attrition;

17 Civilian employees, Coast Guard: For compensation of
18 civilian employees in the field, including per diem labor,
19 but excluding personnel provided for in the appropriation
20 "General expenses, Coast Guard", not to exceed \$3,600,000;

21 Establishing and improving aids to navigation: For
22 establishing and improving aids to navigation and other
23 works, and for expenditures directly relating thereto, not to
24 exceed \$2,300,000;

1 Acquisition of aircraft, vessels and shore facilities: For
2 the purchase or construction of additional and replacement
3 vessels and their equipment; the purchase of aircraft and
4 their equipment; and the construction, rebuilding, or extension
5 of shore facilities, including the acquisition of sites and
6 improvements thereon when specifically approved by the
7 Secretary, and rental of shore facilities for temporary use;
8 in all, not to exceed \$2,300,000: *Provided*, That not to
9 exceed 4 per centum of the amount of this limitation shall
10 be available for administrative expenses in connection there-
11 with, including personal services at the seat of government;

12 Retired pay, former Lighthouse Service, Coast Guard:
13 For retired pay of certain officers and employees entitled
14 thereto by virtue of former employment in the Lighthouse
15 Service engaged in the field service or on vessels of the
16 Coast Guard, except persons continuously employed in
17 district offices and shops, not to exceed \$1,000,000.

18 No part of any appropriation or authorization in this
19 Act shall be used to pay any part of the salary or expenses
20 of any person whose salary or expenses are prohibited from
21 being paid from any appropriation or authorization in any
22 other Act.

23 This title may be cited as the "Treasury Department
24 Appropriation Act, 1948".

1 TITLE II—POST OFFICE DEPARTMENT

2 The following sums are appropriated in conformity with
3 5 United States Code 361, 380; 39 United States Code 786,
4 for the Post Office Department for the fiscal year ending
5 June 30, 1948, namely:

6 POST OFFICE DEPARTMENT, WASHINGTON, DISTRICT OF
7 COLUMBIA

8 OFFICE OF THE POSTMASTER GENERAL

9 Salaries: For the Postmaster General and other per-
10 sonal services in the office of the Postmaster General in
11 the District of Columbia, including a health program for the
12 Department in Washington as authorized by the Act of
13 August 8, 1946 (Public Law 658), \$375,000.

14 SALARIES IN BUREAUS AND OFFICES

15 For personal services in the District of Columbia in
16 bureaus and offices of the Post Office Department in not to
17 exceed the following amounts, respectively:

18 Office of Budget and Administrative Planning,
19 \$59,500.

20 Office of the First Assistant Postmaster General,
21 \$1,100,000.

22 Office of the Second Assistant Postmaster General,
23 \$900,000.

24 Office of the Third Assistant Postmaster General,
25 \$1,325,000.

1 Office of the Fourth Assistant Postmaster General,
2 \$700,000.

3 Office of the Solicitor for the Post Office Department,
4 \$250,000.

5 Office of the chief inspector, \$400,000.

6 Office of the purchasing agent, \$78,000.

7 Bureau of Accounts, \$500,000.

8 CONTINGENT EXPENSES, POST OFFICE DEPARTMENT

9 For necessary, contingent and miscellaneous expenses
10 not otherwise provided for; purchase of one passenger motor
11 vehicle (not exceeding \$3,000) ; purchase and exchange of
12 lawbooks and books of reference; newspapers; and travel
13 expenses of the purchasing agent and of the Solicitor and
14 attorneys connected with his office, not exceeding \$1,900;
15 \$145,000.

16 For printing and binding for the Post Office Depart-
17 ment and Postal Service, \$1,500,000.

18 Appropriations hereinafter made for the field service of
19 the Post Office Department, except as otherwise provided,
20 shall not be expended for any of the purposes hereinbefore
21 provided for on account of the Post Office Department in the
22 District of Columbia: *Provided*, That necessary expenses of
23 officials and employees of the Post Office Department and
24 Postal Service, when traveling on official business, may be
25 paid from the appropriations for the service in connection with

1 which the travel is performed: *Provided further*, That appro-
2 priations hereinafter made, except such as are exclusively for
3 payment of compensation, shall be available for expenses in
4 connection with the examination of estimates for appropria-
5 tions in the field including per diem allowances in lieu of
6 actual expenses of subsistence.

7 FIELD SERVICE, POST OFFICE DEPARTMENT

8 OFFICE OF THE POSTMASTER GENERAL

9 Travel expenses, Postmaster General and Assistant
10 Postmasters General: For travel and miscellaneous expenses
11 in the Postal Service, offices of the Postmaster General and
12 Assistant Postmasters General, \$3,000.

13 Damage claims: For the payment of claims for damages
14 to persons or property occurring in the fiscal year 1948, or in
15 prior fiscal years, determined and settled pursuant to the
16 Federal Tort Claims Act, approved August 2, 1946 (Public
17 Law 601), and in accordance with the provisions of the
18 Deficiency Appropriation Act, approved June 16, 1921
19 (5 U. S. C. 392), as amended by the Act approved June
20 22, 1934 (31 U. S. C. 224c), \$230,000.

21 Adjusted losses and contingencies: To pay to postmasters,
22 Navy mail clerks, and assistant Navy mail clerks, Coast
23 Guard mail clerks, Assistant Coast Guard mail clerks, Army
24 mail clerks, and assistant Army mail clerks, or credit them
25 with the amount ascertained to have been lost or destroyed

1 during the fiscal year 1948, or prior fiscal years, through
2 unavoidable casualty resulting from no fault or negligence
3 on their part, as authorized by the Act approved March 17,
4 1882, as amended by the Act approved December 7, 1945
5 (39 U. S. C. 49), \$75,000.

6 OFFICE OF CHIEF INSPECTOR

7 Salaries of inspectors: For salaries of fifteen inspectors
8 in charge of divisions and eight hundred inspectors,
9 \$4,300,000.

10 Travel and miscellaneous expenses: For necessary travel
11 and miscellaneous expenses incurred in the operation of the
12 Post Office Inspection Service, not to exceed \$27,600 for
13 chemical and other investigations, and not to exceed \$500
14 for books of reference, \$960,000.

15 Clerks: For compensation of not exceeding three hun-
16 dred and eighty-nine clerks in the Post Office Inspection
17 Service, \$1,178,000.

18 Payment of rewards: For payment of rewards for the
19 detection, arrest, and conviction of post-office burglars, rob-
20 bers, highway mail robbers, and persons mailing or causing
21 to be mailed any bomb, infernal machine, or mechanical,
22 chemical, or other device or composition which may ignite,
23 or explode, fiscal year 1948 and prior years, \$55,000:
24 *Provided*, That rewards may be paid in the discretion of
25 the Postmaster General, when an offender of the classes

1 mentioned was killed in the act of committing the crime
2 or in resisting lawful arrest: *Provided further*, That no part
3 of this sum shall be used to pay any rewards at rates in
4 excess of those specified in Post Office Department Order
5 28673, dated July 28, 1945: *Provided further*, That of the
6 amount herein appropriated not to exceed \$20,000 may be
7 expended in the discretion of the Postmaster General, for
8 the purpose of securing information concerning violations of
9 the postal laws and for services and information looking
10 toward the apprehension of criminals.

11 OFFICE OF THE FIRST ASSISTANT POSTMASTER GENERAL

12 Compensation to postmasters: For compensation to post-
13 masters, including compensation as postmaster to persons
14 who, pending the designation of an acting postmaster, assume
15 and perform the duties of postmaster in the event of a
16 vacancy in the office of postmaster of the third or fourth
17 class, and for allowances for rent, light, fuel, and equipment
18 to postmasters of the fourth class, \$87,470,000.

19 Compensation to assistant postmasters: For compensa-
20 tion to assistant postmasters at first- and second-class post
21 offices, \$12,800,000.

22 Clerks, first- and second-class post offices: For compen-
23 sation to clerks and employees at first- and second-class post
24 offices, including auxiliary clerk hire at summer and winter

1 post offices, printers, mechanics, skilled laborers, watchmen,
2 messengers, mail handlers, and substitutes, and the mainte-
3 nance of health programs in the field as authorized by the
4 Act of August 8, 1946 (Public Law 658), \$487,000,000.

5 Contract station service: For contract station serv-
6 ice, \$3,500,000.

7 Separating mails: For separating mails at fourth-class
8 post offices, \$180,000.

9 Unusual conditions: For unusual conditions at post
10 offices, \$25,000.

11 Clerks, third-class post offices: For compensation to
12 clerks at third-class post offices, \$24,000,000.

13 Miscellaneous items, first- and second-class post offices:
14 For expenses necessary for the operation and protection of
15 post offices of the first and second classes, and the business
16 conducted in connection therewith, not provided for in other
17 appropriations, \$3,600,000.

18 Village delivery service: For village delivery service in
19 towns and villages having post offices of the second or third
20 class, and in communities adjacent to cities having city
21 delivery, \$300,000.

22 Detroit River service: For Detroit River postal service,
23 \$12,750.

24 Carfare and bicycle allowance: For carfare and bicycle

1 allowance, including special-delivery carfare, cost of trans-
2 porting carriers by privately owned automobiles to and from
3 their routes, at rates not exceeding regular streetcar or bus
4 fare, and purchase, maintenance, and exchange of bicycles,
5 \$1,700,000.

6 City delivery carriers: For pay of letter carriers, City
7 Delivery Service, and United States Official Mail and Mes-
8 senger Service, \$295,300,000.

9 Special-delivery compensation and fees: For compensa-
10 tion and fees to special-delivery messengers, \$14,000,000.

11 Rural Delivery Service: For pay of rural carriers,
12 auxiliary carriers, substitutes for rural carriers on annual and
13 sick leave, clerks in charge of rural stations, tolls and ferriage,
14 and necessary expenses of the Rural Delivery Service, \$129,-
15 167,000, of which not less than \$200,000 shall be available
16 for extensions and new service.

17 OFFICE OF THE SECOND ASSISTANT POSTMASTER GENERAL

18 Star-route service: For inland transportation by star
19 routes (excepting service in Alaska), including temporary
20 service to newly established offices, \$22,500,000.

21 Star Route and Air Mail Service, Alaska: For inland
22 transportation by Star Route and Air Mail Service in Alaska,
23 \$415,000.

24 Powerboat service: For inland transportation by steam-

1 boat or other powerboat routes, including ship, steamboat,
2 and way letters, \$1,700,000.

3 Railroad transportation and mail messenger service: For
4 inland transportation by railroad routes and for mail mes-
5 senger service, \$145,000,000: *Provided*, That separate ac-
6 counts be kept of the amount expended for mail messenger
7 service.

8 Railway Mail Service: For fifteen general superin-
9 tendents, fifteen assistant general superintendents, two
10 assistant general superintendents at large, one hundred and
11 twenty district superintendents, one hundred and twenty
12 assistant district superintendents, and other employees in
13 the Railway Mail Service, \$104,000,000.

14 Railway postal clerks, travel allowance: For travel
15 allowance to railway postal clerks and substitute railway
16 postal clerks, \$5,000,000.

17 Railway Mail Service, travel expenses: For travel
18 expenses of departmental officials and supervisory employees
19 of the Railway Mail Service, and railway postal clerks,
20 \$55,000.

21 Railway Mail Service, miscellaneous expenses: For
22 necessary expenses of the Railway Mail Service not pro-
23 vided for in other appropriations, \$450,000.

24 Electric-car service: For electric-car service, \$210,000.

1 Foreign mail transportation: For transportation of for-
2 eign mails, except by aircraft, \$9,500,000, including not
3 to exceed \$79,200 to cover the cost to the United States
4 for maintaining sea post service on ocean steamships con-
5 veying mails to and from the United States.

6 Balances due foreign countries: For balances due foreign
7 countries, fiscal year 1948 and prior years, \$3,250,000.

8 Indemnities, international mail: For payment of limited
9 indemnity for the injury or loss of international mail in
10 accordance with convention, treaty, or agreement stipula-
11 tions, fiscal year 1948 and prior years, \$15,000.

12 Foreign air-mail transportation: For transportation of
13 foreign mails by aircraft, as authorized by law, including
14 the transportation of mail by aircraft between Seattle, Wash-
15 ington, and Fairbanks, Alaska, via intermediate points,
16 \$5,500,000.

17 Domestic Air Mail Service: For expenses necessary for
18 the inland transportation of mail by aircraft, as authorized
19 by law, including not to exceed \$173,000 for supervisory
20 officials and clerks at field headquarters, \$37,000,000.

21 OFFICE OF THE THIRD ASSISTANT POSTMASTER GENERAL

22 Manufacture and distribution of stamps and stamped
23 paper: For manufacture and distribution of stamps and
24 stamped paper, and not to exceed \$30,000 for compensa-

1 tion to employees and other necessary expenses of the United
2 States Stamped Envelope Agency, \$7,400,000.

3 Indemnities, domestic mail: For payment of indemnity
4 for the injury or loss of domestic registered, insured, and
5 collect-on-delivery mail, and for failure to remit collect-on-
6 delivery charges, fiscal year 1948 and prior years,
7 \$2,300,000.

8 Unpaid money orders more than one year old: For
9 payment of domestic money orders after one year from the
10 last day of the month of issue of such orders, \$600,000.

11 OFFICE OF THE FOURTH ASSISTANT POSTMASTER GENERAL

12 Post Office stationery, equipment, and supplies: For the
13 purchase, manufacture, repair, and installation of necessary
14 miscellaneous equipment and supplies for the Postal Service
15 not provided for in other appropriations; accident prevention;
16 for the purchase of atlases and geographical and technical
17 works not to exceed \$1,500; and not exceeding \$136,000
18 for personal services, and not to exceed \$51,400 for salaries
19 of fourteen traveling mechanics; for rental of canceling
20 machines and motors, mechanical mail-handling apparatus,
21 and other labor-saving devices; and for travel expenses;
22 \$6,500,000, of which \$250,000 shall be available exclu-
23 sively for the purchase of modern mechanical postal devices:
24 *Provided*, That the Postmaster General may authorize the

1 sale to the public of post-route maps and rural-delivery maps
2 or blueprints at the cost of printing and 10 per centum
3 thereof added.

4 Equipment shops, Washington, District of Columbia:
5 For the purchase, manufacture, and repair of mail bags
6 and other equipment for the postal service not provided
7 for in other appropriations; accident prevention; necessary
8 expenses for the operation, maintenance, and protection of
9 the mail equipment shops building, grounds, and equipment,
10 and a health program for the shops, as authorized by the
11 Act of August 8, 1946 (Public Law 658) ; \$3,200,000, of
12 which not to exceed \$1,223,000 may be expended for
13 personal services in the District of Columbia and not exceed-
14 ing \$15,000 for the purchase of material and the manufacture
15 in the equipment shops of such small quantities of distinctive
16 equipments as may be required by other executive depart-
17 ments; and for services in Alaska, Puerto Rico, Philippine
18 Islands, Hawaii, or other island possessions.

19 Rént, light, power, fuel, and water: For rent, light,
20 power, fuel, and water, for first-, second-, and third-class
21 post offices, and the cost of advertising for lease proposals
22 for such offices, \$13,000,000.

23 Pneumatic-tube service, New York City and Boston:
24 For rental of not exceeding twenty-eight miles of pneumatic
25 tubes, hire of labor, communication service, electric power,

1 and other expenses for transmission of mail in the city of
2 New York including the Borough of Brooklyn; and for rental
3 of not exceeding two miles of pneumatic tubes, not including
4 labor and power in operating the same, for the transmission
5 of mail in the city of Boston, Massachusetts; \$700,000:
6 *Provided*, That the Acts of April 21, 1902, May 27, 1908,
7 and June 19, 1922 (39 U. S. C. 423), relating to contracts
8 for the transmission of mail by pneumatic tubes or other
9 similar devices shall not be applicable to the city of New
10 York, and the provisions not inconsistent herewith of the
11 Acts of April 21, 1902, and May 27, 1908 (39 U. S. C.
12 423), shall be applicable to the city of Boston.

13 Vehicle service: For the hire, purchase, maintenance,
14 repair, and operation of vehicles for use in the collection,
15 transportation, delivery, and supervision of the mail, includ-
16 ing the repair of vehicles owned by, or under the control of,
17 units of the National Guard and departments and agencies
18 of the Federal Government where repairs are made necessary
19 because of utilization of such vehicles in the Postal Service;
20 the rental of garage facilities; accident prevention; lease of
21 quarters not exceeding a term of ten years for the housing
22 of Government-owned motor vehicles, and including compen-
23 sation to necessary employees in the Motor Vehicle Service,
24 \$36,500,000, of which \$5,400,000 shall be available ex-
25 clusively for the purchase of trucks: *Provided*, That the Post-

1 master General may purchase and maintain from this appro-
2 priation such tractors and trailer trucks as may be required
3 in the operation of the vehicle service: *Provided further,*
4 That no part of this appropriation shall be expended for main-
5 tenance or repair of motor-propelled passenger-carrying
6 vehicles for use in connection with the administrative work
7 of the Post Office Department in the District of Columbia.

8 Transportation of equipment and supplies: For the
9 transportation and delivery of equipment, materials, and
10 supplies for the Post Office Department and Postal Service
11 by freight, express, or motor transportation, and other inci-
12 dental expenses, \$500,000.

13 PUBLIC BUILDINGS, MAINTENANCE AND OPERATION

14 Operating force: For compensation to employees in the
15 custodial service, \$44,750,000.

16 Operating supplies, public buildings: For neces-
17 sary miscellaneous articles, services and supplies, including
18 transportation thereof, required for the operation of com-
19 pleted and occupied public buildings and grounds operated
20 by the Post Office Department, accident prevention,
21 \$6,750,000, which shall not be available for personal services
22 except for, work done by contract, or for temporary
23 job labor under exigency not exceeding at one time the
24 sum of \$250 at any one building: *Provided,* That the
25 Postmaster General is authorized to contract for telephone

1 service in public buildings under his administration by means
2 of telephone switchboards or equivalent telephone switching
3 equipment jointly serving in each case two or more govern-
4 mental activities, where he determines that joint service is
5 economical and in the interest of the Government, and to
6 secure reimbursement for the cost of such joint service from
7 available appropriations for telephone expenses of the bureaus
8 and offices receiving the same.

9 Furniture, carpets, and safes, public buildings: For the
10 procurement, including transportation, of furniture, carpets,
11 safes, safe and vault protective devices, and repairs of same,
12 for use in public buildings which are now, or may hereafter
13 be, operated by the Post Office Department, \$750,000:
14 *Provided*, That excepting expenditures for labor for or in-
15 cidental to the moving of equipment from or into public
16 buildings, the foregoing appropriation shall not be used for
17 personal services except for work done under contract or for
18 temporary job labor under exigency and not exceeding at
19 one time the sum of \$100 at any one building: *Provided*
20 *further*, That all furniture now owned by the United States
21 in other public buildings or in buildings rented by the United
22 States shall be used, so far as practicable, whether or not it
23 corresponds with the present regulation plan of furniture.

24 Deficiency in postal revenues: If the revenues of the
25 Post Office Department shall be insufficient to meet the

1 appropriations made under title II of this Act, a sum equal
2 to such deficiency in the revenues of such Department is
3 hereby appropriated, to be paid out of any money in the
4 Treasury not otherwise appropriated, to supply such defi-
5 ciency in the revenues of the Post Office Department for the
6 fiscal year ending June 30, 1948, and the sum needed
7 may be advanced to the Post Office Department upon
8 requisition of the Postmaster General.

9 During the fiscal year 1948, the Postmaster Gen-
10 eral shall make quarterly reports to the Senate and
11 House Committees on Appropriations, showing for each
12 quarter the amount paid from each appropriation for over-
13 time, the number of employees receiving such overtime, and
14 the number of hours of overtime worked by such employees,
15 together with a statement as to the necessity for such over-
16 time work.

17 This title may be cited as the "Post Office Department
18 Appropriation Act, 1948".

19 TITLE III—GENERAL PROVISIONS

20 SEC. 301. No part of any appropriation contained in
21 this Act shall be used to pay the salary or wages of any
22 person who engages in a strike against the Government
23 of the United States or who is a member of an organization
24 of Government employees that asserts the right to strike
25 against the Government of the United States, or who advo-

1 cates, or is a member of an organization that advocates,
2 the overthrow of the Government of the United States
3 by force or violence: *Provided*, That for the purposes hereof
4 an affidavit shall be considered prima facie evidence that
5 the person making the affidavit has not contrary to the
6 provisions of this section engaged in a strike against the
7 Government of the United States, is not a member of an
8 organization of Government employees that asserts the right
9 to strike against the Government of the United States, or
10 that such person does not advocate, and is not a member of
11 an organization that advocates, the overthrow of the Govern-
12 ment of the United States by force or violence: *Provided*
13 *further*, That any person who engages in a strike against
14 the Government of the United States or who is a member
15 of an organization of Government employees that asserts
16 the right to strike against the Government of the United
17 States, or who advocates, or who is a member of an organ-
18 ization that advocates, the overthrow of the Government
19 of the United States by force or violence and accepts
20 employment the salary or wages for which are paid from
21 any appropriation contained in this Act shall be guilty of
22 a felony and, upon conviction, shall be fined not more than
23 \$1,000 or imprisoned for not more than one year, or both:
24 *Provided further*, That the above penalty clause shall be in

1 addition to, and not in substitution for, any other provi-
2 sions of existing law.

3 SEC. 302. This Act may be cited as the "Treasury and
4 Post Office Departments Appropriation Act, 1948".

Passed the House of Representatives March 11, 1947.

Attest:

JOHN ANDREWS,

Clerk.

AN ACT

Making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1948, and for other purposes.

MARCH 12 (legislative day, FEBRUARY 19), 1947
Read twice and referred to the Committee on
Appropriations

DIGEST OF
CONGRESSIONAL PROCEEDINGS
OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE

Division of Legislative Reports
(For Department staff only)

Issued
For actions of

May 27, 1947
May 26, 1947
80th-1st, No. 99

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HIGHLIGHTS: House committee reported rule waiving points of order on agricultural appropriation bill. Rep. Gamble introduced bill to end sugar rationing for home consumption. House committee reported bill continuing retirement benefits for separated employees. Senate conferees appointed on wool bill. Senate committee reported bill to regulate marketing of insecticides, rodenticides, weed killers, etc. Senate committee reported Treasury-Post Office appropriation bill.

HOUSE

1. AGRICULTURAL APPROPRIATION BILL. The House Committee made a general reduction in the Budget estimate for LAND UTILIZATION PROJECTS of \$1,660,000 instead of eliminating increases for reconstruction and repair of dams and spillways as reported in Digest 98. The Rules Committee reported without amendment H. Res. 218, which provides "That during the consideration of the bill (H. R. 3601) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1948, and for other purposes, all points of order against the bill or any provisions contained therein are hereby waived" (H. Rept. 463) (pp. 5954; 5963). The Daily Digest says this bill will be considered today (p. D295).
2. CIVIL-SERVICE RETIREMENT. The Post Office and Civil Service Committee reported without amendment H. R. 3511, which extends until June 30, 1948, the period during which annuities are provided for separated employees at least 55 years of age and who have served at least 25 years (H. Rept. 461) (p. 5963).
3. HOUSING. Received from the Hawaii Legislature a memorial favoring S. 866, the Taft-Wagner-Ellender housing bill (p. 5964).

SENATE

4. WOOL. Sens. Aiken, Bushfield, Young, Thomas (Okla.), and Ellender were appointed conferees on S. 814, the wool price-support bill (pp. 5928-9). The amendments agreed to in the House are printed in the Congressional Record on the pages noted above. House conferees not yet appointed.
5. MARKETING. The Agriculture and Forestry Committee reported without amendment H.R. 1237, to regulate the marketing of insecticides, rodenticides, weed killers, pest-control devices, etc. (S.Rept. 199) (p. 5926).
6. TREASURY-POST OFFICE APPROPRIATION BILL, 1948. The Appropriations Committee reported with amendments this bill, H.R. 2436 (S.Rept. 201) (p. 5926).
7. GEOGRAPHICAL NAMES. The Public Lands Committee reported without amendment S.1262,

to establish a Board on Geographic Names, on which the Department would be represented, to function conjointly with the Secretary of Interior in standardizing geographic names for the purpose of eliminating duplication in the Federal Government (S.Rept. 205) (p. 5926).

8. HIGHWAYS. The Public Works Committee reported without amendment H.R. 1874, to provide that funds apportioned to States under the Federal Aid Highway Act of 1944 shall remain available for 2 years after they are authorized (S.Rept. 200) (p. 5926).
9. LANDS. The Public Lands Committee reported without amendment S. 1185, to authorize the Secretary of Interior to dispose of sand, stone, gravel, and timber or other forest products on U.S. public lands if the disposal is not otherwise expressly authorized by law, prohibited by law, and would not be detrimental to the public interest. National forest lands would not come under this jurisdiction and where lands have been withdrawn in aid of a function of a Federal department or agency other than the Interior Department or of a State, Territory, etc., disposal would be made only with approval of such Federal department or other agency (S.Rept. 204) (p. 5926).
10. FERTILIZERS. Received from the Kansas Farm Bureau a telegram favoring S. 1251, the national fertilizer-policy bill (p. 5926).
11. TAXATION. Continued debate on H.R. 1, the individual income tax-reduction bill (pp. 5929-52).
12. FARM LOANS. The Agriculture and Forestry Committee is expected to act on May 28 on S. 925, to transfer the Land Bank Commissioner loan service to the Federal Land Bank System (p. D294).
13. HOUSING. Received a Hawaii Legislature resolution favoring S. 866, the Taft-Ellender-Wagner housing bill (p. 5925).

BILLS INTRODUCED

14. GRANT LANDS. S. 1348, by Sen. Cordon, Oreg., to provide for the addition of certain revested Oreg. and Calif. railroad grant lands to the Silver Creek recreational demonstration project, Oreg. To Public Lands Committee. (p. 5927.)
15. INFORMATION. S.Con.Res. 16, by Sen. Hatch, N.Mex., to establish a joint committee to investigate Government information programs. To Foreign Relations Committee. (p. 5927.) Remarks of author.
16. SUGAR RATIONING. H.R. 3612, by Rep. Gamble, N.Y., to amend the Sugar Control Extension Act so as to terminate the authority to allocate or ration refined sugar among users for home consumption. To Banking and Currency Committee. (p. 5963.)

ITEMS IN APPENDIX

17. WOOL. Speech in the House by Rep. Crawford, Mich., opposing reciprocal trade agreements with respect to wool (pp. A2606-7).
18. EDUCATION. Sen. Sparkman, Ala., inserted his recent address on Federal aid to education (pp. A2609-11).
19. RECLAMATION. Sen. Magnuson, Wash., inserted his statement before the Appropriations Committee urging restoration of reclamation funds in the Interior Appro-

wish so earnestly to avoid, namely, the tragedy of another war."

Washington's statement of a fundamental requirement of our democratic system has now become an urgent necessity to the survival of that system. The drastic developments in the speed and destructive power of modern war make unavoidable the choice presented by General Marshall. We can be guided by the founder of our democracy and insure our system of a reasonable chance of survival; or we can be guided by wishful thinking, and stake the survival of our system on a reckless gamble.

TRANSACTION OF ROUTINE BUSINESS

By unanimous consent, the following routine business was transacted:

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REINCORPORATION OF THE INSTITUTE OF INTER-AMERICAN AFFAIRS

A letter from the Secretary of State, transmitting a draft of proposed legislation to provide for the reincorporation of the Institute of Inter-American Affairs and for other purposes (with accompanying papers); to the Committee on Foreign Relations.

UTILIZATION OF APPROPRIATIONS IN CONNECTION WITH UNRRA LIQUIDATION

A letter from the Secretary of State, transmitting a draft of proposed legislation to enable the President to utilize the appropriations for United States participation in the work of the United Nations Relief and Rehabilitation Administration for meeting administrative expenses of United States Government agencies in connection with United Nations Relief and Rehabilitation Administration Liquidation (with accompanying papers); to the Committee on Foreign Relations.

PARTICIPATION IN INTER-AMERICAN CONFERENCE ON SOCIAL SECURITY

A letter from the Under Secretary of State, transmitting a draft of proposed legislation providing for participation by the United States in the Inter-American Conference on Social Security and its Permanent Committee and authorizing an appropriation therefor (with accompanying papers); to the Committee on Foreign Relations.

AUTHORIZATION FOR CERTAIN TRANSFERS AND CONSOLIDATIONS OF APPROPRIATIONS BY FEDERAL SECURITY ADMINISTRATOR

A letter from the Acting Administrator of the Federal Security Agency, transmitting a draft of proposed legislation to authorize intra-agency transfers and consolidations of appropriations by the Federal Security Administrator, and for other purposes (with an accompanying paper); to the Committee on Expenditures in the Executive Departments.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A concurrent resolution of the Legislature of the Territory of Hawaii; ordered to lie on the table:

"Senate Concurrent Resolution 17

"Concurrent resolution requesting the Congress of the United States to enact the Wagner-Ellender-Taft bill, S. 866, of the Eightieth Congress, first session.

"Whereas the Territory of Hawaii is faced with a housing crisis so far reaching in scope and so serious in nature that the Territory is unable to cope with it fully if unaassisted by Federal aid; and

"Whereas until the enactment of further legislation by the Congress additional Federal

funds will not be available to alleviate the discomfort and suffering of countless residents of the Territory who are now living in inadequate accommodations; and

"Whereas the Wagner-Ellender-Taft bill, S. 866 of the Eightieth Congress, first session, entitled 'A bill to establish a national housing objective and the policy to be followed in the attainment thereof; to facilitate sustained progress in the attainment of such objective and to provide for the coordinated execution of such policy through a National Housing Commission, and for other purposes,' presents a well-considered program for housing which, if enacted, would be of aid to all the States as well as the Territory in assuring adequate housing both through privately financed construction and public low-rent projects: Now, therefore, be it

"Resolved by the Senate of the twenty-fourth session of the Legislature of the Territory of Hawaii (the House of Representatives concurring), That the Congress of the United States be, and it is hereby, requested to enact said Wagner-Ellender-Taft bill; and be it further

"Resolved, That certified copies of this resolution be forwarded to the President of the United States, to the President of the Senate, and to the Speaker of the House of Representatives of the Congress, to the Secretary of the Interior, and to the Delegate to Congress from Hawaii."

A resolution adopted by the Engineers' Club, of Minneapolis, Minn., expressing that club's appreciation and gratification for changing the name of Boulder Dam to Hoover Dam; ordered to lie on the table.

A resolution adopted by the American Veterans' Committee, Territory of Hawaii, Chapter No. 7, Lower Manoa, Honolulu, T. H., favoring the enactment of the bill (H. R. 857) to remove the racial restrictions upon naturalization and to amend the immigration laws, and for other purposes; to the Committee on the Judiciary.

Petitions of the members of the Pensacola Townsend Club, No. 1, and sundry citizens of Boynton Beach, both in the State of Florida, praying for the enactment of the so-called Townsend plan to provide old-age assistance; to the Committee on Finance.

By MR. LUCAS:

A resolution adopted by the House of Representatives of the General Assembly of the State of Illinois, favoring location of an atomic-energy laboratory on Government-owned land near Elwood, Ill.; to the Joint Committee on Atomic Energy.

(See resolution printed in full when laid before the Senate by the President pro tempore on May 23, 1947, pp. 5851-5852, CONGRESSIONAL RECORD.)

MISSOURI LEGISLATURE CONCURRENT RESOLUTION APPROVING PRINCIPLE OF WORLD FEDERATION

Mr. DONNELL. Mr. President, I ask unanimous consent to present for appropriate reference, and to have incorporated in the body of the RECORD Senate Concurrent Resolution No. 6, adopted on May 13, 1947, by the Senate, and on May 15, 1947, by the House of Representatives of the Missouri Legislature, being a concurrent resolution approving the principle of world federation.

There being no objection, the concurrent resolution was received, referred to the Committee on Foreign Relations, and, under the rule, ordered to be printed in the RECORD, as follows:

Senate Concurrent Resolution 6

Concurrent resolution approving the principle of world federation

Whereas it is necessary at the present juncture of human affairs to enlarge the bases of organized society by establishing a

government for the community of nations, in order to preserve civilization and enable mankind to live in peace and be free, the following principles and objectives are hereby enunciated in—

"THE DECLARATION OF THE FEDERATION OF THE WORLD

"Man, the source of all political authority, is a manifold political being. He is a citizen of several communities: the state, the nation, and the world. To each of these communities he owes inalienable obligations and from each he receives enduring benefits.

"Communities may exist for a time without being incorporated but, under the stress of adversity, they disintegrate unless legally organized. Slowly but purposefully, through the centuries civilization has united the world, integrating its diverse local interests and creating an international community that now embraces every region and every person on the globe. This community has no government, and communities without government perish. Either this community must succumb to anarchy or submit to the restraints of law and order.

"Governments can only be established through the deliberate efforts of men. Man has struggled from time immemorial to endow the individual with certain fundamental rights whose very existence is now imperiled. Among those rights is man's freedom to worship, speak, write, assemble, and vote without arbitrary interference. To safeguard these liberties as a heritage for the human race, governments were instituted among men, with constitutional guarantees against the despotic exercise of political authority, such as are provided by elected parliaments, trial by jury, habeas corpus, and due process of law. Man must now either consolidate his historic rights or lose them for generations to come.

"The ceaseless changes wrought in human society by science, industry, and economics, as well as by the spiritual, social, and intellectual forces which impregnate all cultures, makes political and geographical isolation of nations hereafter impossible. The organic life of the human race is at last indissolubly unified and can never be severed, but it must be politically ordained and made subject to law. Only a government capable of discharging all the functions of sovereignty in the executive, legislative, and judicial spheres can accomplish such a task. Civilization now requires laws, in the place of treaties, as instruments to regulate commerce between peoples. The intricate conditions of modern life have rendered treaties ineffectual and obsolete, and made laws essential and inevitable. The age of treaties is dead; the age of laws is here.

"Governments, limited in their jurisdiction to local geographical areas, can no longer satisfy the needs or fulfill the obligations of the human race. Just as feudalism served its purpose in human history and was superseded by nationalism, so has nationalism reached its apogee in this generation and yielded its hegemony in the body politic to internationalism. The first duty of government is to protect life and property, and when governments cease to perform this function, they capitulate on the fundamental principle of their *raison d'être*. Nationalism, moreover, is no longer able to preserve the political independence or the territorial integrity of nations, as recent history so tragically confirms. Sovereignty is an ideological concept without geographical barriers. It is better for the world to be ruled by an international sovereignty of reason, social justice, and peace than by diverse national sovereignties organically incapable of preventing their own dissolution by conquest. Mankind must pool its resources of defense if civilization is to endure.

"History has revealed but one principle by which free peoples, inhabiting extensive territories, can unite under one government

without impairing their local autonomy. That principle is federation, whose virtue preserves the whole without destroying its parts, and strengthens its parts without jeopardizing the whole. Federation vitalizes all nations by endowing them with security and freedom to develop their respective cultures without menace of foreign domination. It regards as sacrosanct man's personality, his rights as an individual and as a citizen and his role as a partner with all other men in the common enterprise of building civilization for the benefit of mankind. It suppresses the crime of war by reducing to the ultimate minimum the possibility of its occurrence. It renders unnecessary the further paralyzing expenditure of wealth for belligerent activity, and cancels through the ages the mortgages of war against the fortunes and services of men. It releases the full energies, intelligence, and assets of society for creative, ameliorative, and redemptive work on behalf of humanity. It recognizes man's morning vision of his destiny as an authentic potentiality. It apprehends the entire human race as one family, human beings everywhere as brothers and all nations as component parts of an indivisible community.

"There is no alternative to the federation of all nations except endless war. No substitute for the federation of the world can organize the international community on the basis of freedom and permanent peace. Even if continental, regional or ideological federations were attempted, the governments of these federations, in an effort to make impregnable their separate defenses, would be obliged to maintain stupendously competitive armies and navies, thereby condemning humanity indefinitely to exhaustive taxation, compulsory military service and ultimate carnage, which history reveals to be not only criminally futile but positively avoidable through judicious foresight in federating all nations. No nation should be excluded from membership in the federation of the world that is willing to limit its military, naval, and air forces, retaining only a constabulary sufficient to police its territory and to maintain order within its jurisdiction, provided that the eligible voters of that nation are permitted the free expression of their opinions at the polls.

"It being our profound and irrevocable conviction:

"That man should be forever free and that his historic rights as an individual and as a citizen should be protected by all the safeguards sanctioned by political wisdom and experience.

"That governments are essential to the existence of communities and that the absence of government is anarchy.

"That there exists an international community, encompassing the entire world, which has no government and which is destined, either to be ruthlessly dominated and exploited by totalitarianism or to be federated by democracy upon the principle of freedom for all nations and individuals.

"That all human beings are citizens of this world community, which requires laws and not treaties for its government.

"That world federation is the keystone in the arch of civilization, humanity's charter of liberty for all peoples, and the signet authenticating at last the union of the nations in freedom and peace.

"That there are supreme moments in history when nations are summoned, as trustees of civilization, to defend the heritage of the ages and to create institutions essential for human progress. In the providence of God, such a crisis is this hour, compelling in duty and unprecedented in responsibility—a fateful moment when men meet destiny for the fulfillment of historic tasks": Now, therefore, be it

Resolved by the senate (the house of representatives concurring):

SECTION 1. That the General Assembly of Missouri does hereby solemnly declare that all peoples of the earth should now be united in a world federation, and requests the Senators and Members of the House of Representatives in Congress from the State of Missouri to support and vote for a resolution in the Congress of the United States, approving the principle of world federation and requesting the President of the United States to initiate the procedure necessary to formulate a constitution for the federation of the world, which shall be submitted to each nation for its ratification.

SEC. 2. That a copy of this resolution be sent to each of the Senators and Members of the House of Representatives in Congress from the State of Missouri.

SEC. 3. That this resolution shall be in full force and effect from and after its ratification.

FARM BUREAU SOIL CONSERVATION AND FERTILIZER PROGRAM

Mr. CAPPER. Mr. President, I have received a telegram from H. A. Praeger, president, Kansas Farm Bureau, expressing approval of Senate bill 1251, known as the Farm Bureau soil conservation and fertilizer program. I ask unanimous consent to present the telegram and request that it be appropriately referred and printed in the RECORD.

There being no objection, the telegram was received, referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

HOISINGTON, KAN., May 15, 1947.

Hon. ARTHUR CAPPER,
Senate Office Building,
Washington, D. C.:

Thank you for sponsoring S. 1251, the Farm Bureau soil conservation and fertilizer measure. Forty thousand Kansas farmers who are members of Kansas Farm Bureau are asking Congress to pass this bill. Appreciate your influence for an immediate hearing in the committee of this proposed legislation. Your cooperation in getting this bill through the Senate appreciated.

H. A. PRAEGER,
President, Kansas Farm Bureau.

UNIFORM MARRIAGE AND DIVORCE LAW

Mr. CAPPER. Mr. President, I ask unanimous consent to have printed in the body of the RECORD an editorial published recently by the Presbyterian magazine of Philadelphia, endorsing the Capper divorce bill now before the Senate Judiciary Committee.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

A BILL TO SUPPORT

Hundreds of bills go into the hopper in the halls of Congress, but few emerge from the pigeonholes of committees. Senator CAPPER has introduced one which should interest all citizens who are troubled by the lax divorce laws of most of the States. His bill would establish, by constitutional amendment, a uniform Federal divorce law. It would prohibit divorce except on one of these six grounds: adultery, cruel and inhuman treatment, abandonment, or nonsupport for 1 year, habitual drunkenness, incurable insanity, conviction for an infamous crime. Although such a law would mean a relaxation in such States as New York, it would mean a great improvement in the conditions that now exist in quite a few States. It would wipe out overnight the scandalous divorce mills of such

States as Florida and Nevada. Reno would sink again to its rightful level as a frontier town—or, rather, it would rise to that decent level. And although the Capper bill does not conform to the Biblical and Christian standard, it promises so much in approaching that ideal that it should receive the hearty support of all Christian citizens and churches. Fanatical supporters of State's rights should keep their hands off. Here is a moral issue that concerns the whole Nation.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. CAPPER, from the Committee on Agriculture and Forestry:

H. R. 1237. A bill to regulate the marketing of economic poisons and devices, and for other purposes; without amendment (Rept. No. 199).

By Mr. ECTON, from the Committee on Public Lands:

H. R. 2353. A bill to authorize the patenting of certain public lands to the State of Montana or to the Board of County Commissioners of Hill County, Mont., for public-park purposes; without amendment (Rept. No. 202).

By Mr. BUTLER, from the Committee on Public Lands:

S. 1318. A bill to provide funds for cooperation with the school board of the Modoc-Aloha district for the construction and equipment of a new school building in the town of Modoc, Grays Harbor County, Wash., to be available to both Indian and non-Indian children; with an amendment (Rept. No. 203).

By Mr. CORDON:

From the Committee on Appropriations:

H. R. 2436. A bill making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1948, and for other purposes; with amendments (Rept. No. 201).

From the Committee on Public Lands:

S. 1185. A bill to provide for the disposal of materials on the public lands of the United States; without amendment (Rept. No. 204); and

S. 1262. A bill to provide a central authority for standardizing geographic names for the purpose of eliminating duplication in standardizing such names among the Federal departments, and for other purposes; without amendment (Rept. No. 205).

CONSTRUCTION OF RURAL POST ROADS— REPORT OF A COMMITTEE

Mr. COOPER. Mr. President, from the Committee on Public Works, I ask unanimous consent to report favorably, without amendment, the bill (H. R. 1874) to amend the act entitled "An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes," approved July 11, 1916, as amended and supplemented, and for other purposes, and I submit a report (No. 200) thereon. Similar bills were introduced in the Senate by the Senator from Iowa [Mr. WILSON] and by the Senators from Alabama [Mr. HILL and Mr. SPARKMAN].

The PRESIDENT pro tempore. Without objection, the report will be received, and the bill will be placed on the calendar.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unani-

TREASURY AND POST OFFICE DEPARTMENTS
APPROPRIATION BILL, FISCAL YEAR 1948

MAY 26 (legislative day, APRIL 21), 1947.—Ordered to be printed

Mr. CORDON, from the Committee on Appropriations, submitted
the following

REPORT

[To accompany H. R. 2436]

The Committee on Appropriations, to whom was referred the bill (H. R. 2436) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1948, and for other purposes, report the same to the Senate with various amendments and present herewith information relative to the changes made.

| | |
|-------------------------------------|--------------------|
| Amount of bill as passed House..... | \$3, 202, 050, 750 |
|-------------------------------------|--------------------|

| | |
|-------------------------------|--------------|
| Increase by Senate (net)..... | 40, 994, 423 |
|-------------------------------|--------------|

| | |
|---|------------------|
| Amount of bill as reported to Senate..... | 3, 243, 045, 173 |
|---|------------------|

| | |
|---|------------------|
| Amount of regular estimates for 1948..... | 4, 099, 123, 500 |
|---|------------------|

| | |
|--|------------------|
| Amount of appropriations for 1947..... | 4, 267, 826, 360 |
|--|------------------|

The bill as reported to Senate:

| | |
|--|------------------|
| Under the appropriations for 1947..... | 1, 024, 781, 187 |
|--|------------------|

| | |
|-----------------------------------|---------------|
| Under the estimates for 1948..... | 856, 078, 327 |
|-----------------------------------|---------------|

Treasury Department bill, title I:

| | |
|-----------------------------|------------------|
| Amount as passed House..... | 1, 671, 317, 500 |
|-----------------------------|------------------|

| | |
|---|--------------|
| Amount of increase by Senate (net)..... | 39, 189, 023 |
|---|--------------|

| | |
|---|------------------|
| Amount of bill as reported to Senate..... | 1, 710, 506, 523 |
|---|------------------|

Treasury Department bill, title I—Continued

| | |
|---|--------------------|
| Amount of regular estimates for 1948----- | \$2, 554, 034, 250 |
| Amount of appropriations for 1947----- | 2, 718, 821, 450 |
| The bill as reported to the Senate: | |
| Under the estimates for 1948----- | 843, 527, 727 |
| Under the appropriations for 1947----- | 1, 008, 314, 927 |

Post Office bill, title II:

| | |
|---|------------------|
| Amount as passed House----- | 1, 530, 733, 250 |
| Amount of increase by Senate----- | 1, 805, 400 |
| Amount of bill as reported to Senate----- | 1, 532, 538, 650 |
| Amount of regular estimates for 1948----- | 1, 545, 089, 250 |
| Amount of appropriations for 1947----- | 1, 549, 004, 910 |
| The bill as reported to the Senate: | |
| Under the estimates for 1948----- | 12, 550, 600 |
| Under the appropriations for 1947----- | 16, 466, 260 |

TREASURY DEPARTMENT

OFFICE OF GENERAL COUNSEL, OFFICE OF TAX LEGISLATIVE COUNSEL,
DIVISION OF TAX RESEARCH, DIVISION OF RESEARCH AND
STATISTICS

The House proposed consolidation of the Office of Tax Legislative Counsel, Division of Tax Research, and the Division of Research and Statistics with the Office of General Counsel, and recommended for over-all personal services, the sum of \$450,000 which is \$245,600 under the budget estimate of \$695,600. The committee recommends in lieu of the House proposal:

(1) Consolidation of the Office of General Counsel and the Office of Tax Legislative Counsel as the functions of these two offices concern primarily the legal problems of the Department. Of the total budget estimate for such offices, \$303,100, the committee recommends \$250,000, a reduction of \$53,100.

(2) Consolidation of the Division of Tax Research and the Division of Research and Statistics as the functions of these two offices relate to technical aspects of economic and public-debt management problems confronting the Department. The committee recommends \$300,000, of the \$392,500 budget estimate, a reduction of \$92,500 for the two offices.

The total recommended, \$550,000, is \$100,000 above the House allowance and \$145,600 under the total budget estimates for the four offices.

CUSTOMS SERVICE

The committee recommends \$34,000,000 for salaries and expenses of the customs service. This amount is an increase of \$1,500,000 over the House allowance of \$32,500,000, and \$2,000,000 below the budget estimate of \$36,000,000. The amount proposed by the committee is approximately the same as the amount which was available to the service for the current fiscal year.

In allocating the funds provided, it is expected that the Bureau will scrutinize closely its various activities with a view to providing the most efficient service possible. Special attention should be given to the strengthening of the personnel at the various airports of entry showing increased international traffic.

BUREAU OF INTERNAL REVENUE

The committee recommends \$203,000,000 for operating expenses of the Bureau. This amount is an increase of \$25,000,000 over the House allowance of \$178,000,000 and is \$5,000,000 under the budget estimate of \$208,000,000. In distributing the amount recommended, sufficient funds should be provided to continue effectively the field activities of the enforcement group, particularly the deputy collector and revenue-agent units engaged in fraud and evasion cases. The committee is convinced that there is a great deal of productive work to be accomplished in the field of fraud and evasion cases and that with sufficient personnel large sums can be collected that otherwise would be lost to the Government.

It is the feeling of the committee that the Department can absorb the cut of \$5,000,000 without affecting the two units referred to.

COAST GUARD

The committee recommends for salaries and expenses of the Coast Guard the sum of \$109,483,123. This represents an increase of \$12,483,123 over the House allowance of \$97,000,000, and is \$23,421,277 under the total 1948 Budget estimates of \$132,904,400. The committee was impressed with the importance of loran stations and weather stations to both air and surface ships, and has provided additional funds amounting to \$12,483,123 to continue the operation of 3 weather stations and the operation of 51 loran stations. Included in the \$12,483,123 increase recommended is also an item of \$2,058,700 for construction of additional loran stations in the Gulf of Alaska.

POST OFFICE DEPARTMENT

AIR MAIL SERVICE

In the course of hearings before this committee, it was brought out that a portion of the revenues of the Post Office Department is used in payment of indirect subsidies to certain air lines under the guise of rates for carrying air mail. This results from the interpretation of

the national policy toward aiding the establishment and extension of air lines, as set out in the Civil Aeronautics Act of 1938.

It is not the duty of this committee to make recommendations as to the advisability of continuing subsidies to air lines. It is, however, the consensus of the committee that if Congress deems it necessary to subsidize air development it should be done directly, and not by subterfuge. Placing the burden of payment of a portion of such subsidies on the Post Office Department, by requiring the Department to pay to air lines, rates in excess of the value of service received for the transportation of air mail is not, in the opinion of the committee, sound policy and should be changed. It is therefore recommended that the Senate consider legislation to clarify the Civil Aeronautics Act of 1938, to reach a sounder basis in establishment of air-mail rates to carriers, and place a policy for the encouragement and development of an air-transport system on its own footing.

The changes in the amounts of the House bill recommended by the committee are as follows:

TREASURY DEPARTMENT—TITLE I

INCREASES AND LIMITATIONS

Division of Tax Research and Research and Statistics:

| | |
|---------------|------------|
| Salaries..... | \$300, 000 |
|---------------|------------|

Bureau of Customs:

| | |
|----------------------------|-------------|
| Salaries and expenses..... | 1, 500, 000 |
|----------------------------|-------------|

Bureau of Internal Revenue:

| | |
|----------------------------|--------------|
| Salaries and expenses..... | 25, 000, 000 |
|----------------------------|--------------|

Secret Service Division:

White House Police:

| | |
|---------------|----------|
| Salaries..... | 102, 900 |
|---------------|----------|

The Budget estimate for 1948 amounted to \$372,900, which is the amount proposed by the committee. The House allowed \$270,000, which they felt was sufficient to maintain a police force of the maximum size authorized by the act of April 22, 1940, and contended that if a larger protective force was necessary, proper legislative authority for such an increase should be obtained. Such a legislative bill (S. 1022) has now passed the Senate and the committee recommend the restoration of the reduction made by the House in order that sufficient funds may be available to maintain an adequate police force for the White House.

| | |
|-------------------------------|--------|
| Uniforming and equipping..... | 3, 000 |
|-------------------------------|--------|

| | |
|-------------------------------------|----------|
| Total. Secret Service Division..... | 105, 900 |
|-------------------------------------|----------|

Typewriters:

It is recommended by the committee that the following provision fixing the price of typewriters be stricken from the bill:

No part of any money appropriated by this or any other Act shall be used during the fiscal year 1948 for the purchase, within the continental limits of the United States, of any standard typewriting machines (except bookkeeping, billing, and electric machines) at a price in excess of the following for models with carriages which will accommodate paper of the following widths, to wit: Ten inches (correspondence models), \$77; twelve inches, \$82.50; fourteen inches, \$85.25; sixteen inches, \$90.75; eighteen inches, \$96.25; twenty inches, \$103.40; twenty-two inches, \$104.50; twenty-four inches, \$107.25; twenty-six inches, \$113.85; twenty-eight inches, \$114.40; thirty inches, \$115.50; thirty-two inches, \$118.25; or, for standard typewriting machines distinctively quiet in operation, the maximum prices shall be as follows for models with carriages which will accommodate paper of the following widths, to wit: Ten inches, \$88; twelve inches, \$93.50; fourteen inches, \$99; eighteen inches, \$104.50: *Provided*, That there may be added to such prices the amount of Federal excise taxes paid or payable with respect to any such machines.

and the following paragraph, inserted in lieu thereof:

No part of any money appropriated by this or any other Act shall be used during the fiscal year 1948 for the purchase, within the continental limits of the United States, of any standard typewriting machines (except bookkeeping, billing, and electrical machines) at a price in excess of seventy per centum of the commercial list price in effect at time of delivery for the various models and carriage widths purchased.

Testimony before the committee was to the effect that costs have risen 70 percent over prewar costs, and that the typewriter companies have lost money on typewriters that they have sold to the Government. In order to grant the typewriter companies relief the committee recommends the above paragraph.

Coast Guard:**Salaries and expenses:**

| | | |
|-------------------------------------|---------------|----------------------|
| Operation of weather stations----- | \$4, 712, 713 | |
| Operation of loran stations----- | 5, 711, 710 | |
| Construction of loran stations----- | 2, 058, 700 | |
| | | <hr/> \$12, 483, 123 |

| | |
|--|--------------------------|
| Total increase, Treasury Department... | <hr/> 39, 389, 023 <hr/> |
|--|--------------------------|

DECREASES AND LIMITATIONS

| | |
|--|----------|
| Office of General Counsel, salaries----- | 200, 000 |
|--|----------|

| | |
|--|--------------|
| Total increase, Treasury Department----- | 39, 389, 023 |
|--|--------------|

| | |
|--|----------|
| Total decrease, Treasury Department----- | 200, 000 |
|--|----------|

| | |
|-------------------|--------------|
| Net increase----- | 39, 189, 023 |
|-------------------|--------------|

| | |
|--|------------------------------|
| Amount of title I—Treasury Department----- | <hr/> 1, 710, 506, 523 <hr/> |
|--|------------------------------|

POST OFFICE DEPARTMENT—TITLE II**INCREASES AND LIMITATIONS**

| | |
|---|-----------|
| Office of the Postmaster General, salaries----- | \$15, 000 |
|---|-----------|

Salaries, in bureaus and offices:

| | |
|--|---------|
| First Assistant Postmaster General----- | 30, 000 |
| Second Assistant Postmaster General----- | 20, 000 |
| Third Assistant Postmaster General----- | 15, 000 |
| Fourth Assistant Postmaster General----- | 25, 000 |
| Purchasing agent----- | 5, 800 |

| | |
|--|---------|
| Total, salaries, in bureaus and offices----- | 95, 800 |
|--|---------|

| | |
|---------------------------|----------|
| Printing and binding----- | 200, 000 |
|---------------------------|----------|

Field service:**Office of the First Assistant Postmaster General:**

| | |
|---|----------|
| Clerks, first- and second-class post offices----- | 817, 600 |
|---|----------|

The House committee in providing for the item for assistant postmasters took the position that where clerks are competent and able to perform the duties of assistant postmaster, they were unwilling to make provision for new assistant postmasters and therefore eliminated all funds for new assistant postmasters. However, they did not provide for the additional clerks necessary to perform the duties of assistant postmaster. In preparing the estimates the Department in requesting new assistant postmasters made a corresponding reduction in the appropriation for clerks, first- and second-class offices. The committee therefore recommends an increase of \$817,600 for this purpose.

| | |
|------------------------------------|----------|
| Carfare and bicycle allowance----- | 200, 000 |
|------------------------------------|----------|

Office of the Fourth Assistant Postmaster General:

| | |
|--|----------|
| Rent, light, power, fuel, and water----- | 457, 000 |
|--|----------|

Vehicle service:

The committee recommends that the limitation on purchase of trucks be reduced from \$5,400,000 to \$4,514,000. The House Committee indicated in its report that purchases should be made in smaller quantities until the market for trucks becomes more stable. House reduced the amount requested for the vehicle service (\$37,386,000) to \$36,500,000 but failed to reduce the limitation by a similar amount.

| | |
|---|---------|
| Transportation of equipment and supplies----- | 20, 000 |
|---|---------|

Total increase, Post Office Department-----

| |
|-------------|
| 1, 805, 400 |
|-------------|

| | |
|---|------------------|
| Amount of title II, Post Office Department----- | 1, 532, 538, 650 |
|---|------------------|

| | |
|--------------------------------------|--------------|
| Total increase, titles I and II----- | 41, 194, 423 |
|--------------------------------------|--------------|

| | |
|--------------------------------------|----------|
| Total decrease, titles I and II----- | 200, 000 |
|--------------------------------------|----------|

| | |
|---|--------------|
| Total, net increase, titles I and II----- | 40, 994, 423 |
|---|--------------|

Amount of bill as reported to the Senate:

| | |
|-----------------------------------|------------------|
| Treasury Department, title I----- | 1, 710, 506, 523 |
|-----------------------------------|------------------|

| | |
|---------------------------------------|------------------|
| Post Office Department, title II----- | 1, 532, 538, 650 |
|---------------------------------------|------------------|

| | |
|-----------------------------------|------------------|
| Grand total, titles I and II----- | 3, 243, 045, 173 |
|-----------------------------------|------------------|

COMPARATIVE STATEMENT OF THE APPROPRIATIONS FOR 1947, THE ESTIMATES FOR 1948, AND AMOUNTS RECOMMENDED IN THE BILL

TITLE I—TREASURY DEPARTMENT

| Object | Appropriations for 1947 | Pay Act funds, 1947 | Total 1947, including Pay Act funds | Budget estimates for 1948 | Recommended in House bill for 1948 | Recommended by Senate committee | Increase (+) or decrease (-), committee bill compared with— | | | |
|--|-------------------------|---------------------|-------------------------------------|---------------------------|------------------------------------|---------------------------------|---|-------------------------------------|------------------------|-----------------|
| | | | | | | | 1947 appropriations | Total 1947, including Pay Act funds | Budget estimates, 1948 | House bill 1948 |
| OFFICE OF SECRETARY OF TREASURY | | | | | | | | | | |
| Secretary's office, salaries..... | \$432,000 | \$55,000 | \$487,000 | \$489,000 | \$409,000 | \$409,000 | —\$23,000 | —\$78,000 | —\$80,000 | ----- |
| Cost of handling penalty mail..... | 4,400,000 | ----- | 4,400,000 | 6,764,000 | 6,700,000 | 6,700,000 | +2,300,000 | +2,300,000 | —64,000 | ----- |
| Personal or property damage claims..... | ----- | ----- | ----- | 20,000 | 20,000 | 20,000 | +20,000 | +20,000 | ----- | ----- |
| Refunds under Renegotiation Act..... | 15,000,000 | ----- | 15,000,000 | ----- | ----- | ----- | —15,000,000 | —15,000,000 | ----- | ----- |
| Division of Tax Research..... | 175,000 | 23,800 | 198,800 | 202,100 | 300,000 | 300,000 | —40,000 | —85,800 | —92,500 | + \$306,000 |
| Division of Research and Statistics..... | 165,000 | 22,000 | 187,000 | 190,400 | ----- | ----- | ----- | ----- | ----- | ----- |
| Foreign Funds Control..... | 1,000,000 | ----- | 1,000,000 | ----- | ----- | ----- | —1,000,000 | —1,000,000 | ----- | ----- |
| General Counsel's office, salaries..... | 177,050 | 20,200 | 197,250 | 200,300 | 250,000 | 250,000 | —16,050 | —48,150 | —53,100 | —200,000 |
| Tax Legislative Counsel..... | 89,000 | 11,900 | 100,900 | 102,800 | ----- | ----- | ----- | ----- | ----- | ----- |
| Personnel Division..... | 196,200 | 28,100 | 224,300 | 227,000 | 127,000 | 127,000 | —69,200 | —97,300 | —100,000 | ----- |
| Health service programs..... | ----- | ----- | ----- | 138,700 | 75,000 | 75,000 | +75,000 | +75,000 | —63,700 | ----- |
| Chief clerk, office of, salaries..... | 1361,500 | 53,950 | 415,450 | 444,600 | 326,000 | 326,000 | —35,500 | —89,450 | —118,600 | ----- |
| Miscellaneous expenses..... | 230,000 | ----- | 230,000 | 215,000 | 225,000 | 225,000 | —5,000 | —5,000 | —20,000 | ----- |
| Printing and binding..... | 28,000 | ----- | 28,000 | 35,000 | 35,000 | 35,000 | +7,000 | +7,000 | ----- | ----- |

¹ Includes \$11,500 appropriated in Third Deficiency Appropriation Act, 1946.

Comparative statement of the appropriations for 1947, the estimates for 1948, and amounts recommended in the bill—Con.

TITLE I—TREASURY DEPARTMENT—Continued

| Object | Appropriations for 1947 | Pay Act funds, 1947 | Total 1947, including Pay Act funds | Budget estimates for 1948 | Recommended in House bill for 1948 | Recommended by Senate committee | Increase (+) or decrease (—), committee bill compared with— | | | |
|--|-------------------------|---------------------|-------------------------------------|---------------------------|------------------------------------|---------------------------------|---|-------------------------------------|------------------------|-----------------|
| | | | | | | | 1947 appropriations | Total 1947, including Pay Act funds | Budget estimates, 1948 | House bill 1948 |
| OFFICE OF SECRETARY OF TREASURY—continued | | | | | | | | | | |
| Treasury buildings: Custodial force, salaries..... | \$555,000 | \$85,900 | \$640,900 | \$677,600 | \$650,000 | \$650,000 | +\$95,000 | +\$9,100 | —\$27,600 | — |
| Total, Office of Secretary of the Treasury, including special items..... | 22,808,750 | 300,850 | 23,109,600 | 9,736,500 | 9,017,000 | 9,117,000 | —13,691,750 | —13,992,600 | —619,500 | +\$100,000 |
| BUREAU OF ACCOUNTS | | | | | | | | | | |
| Salaries and expenses..... | 925,400 | 120,300 | 1,045,700 | 1,216,000 | 1,016,000 | 1,016,000 | +\$90,600 | —29,700 | —200,000 | — |
| Printing and binding..... | 35,000 | — | 35,000 | 45,700 | 60,000 | 60,000 | +\$25,000 | +\$25,000 | +\$14,300 | — |
| Disbursement, Division of: | | | | | | | | | | |
| Salaries and expenses..... | 9,375,000 | 762,900 | 10,137,900 | 11,535,000 | 9,935,000 | 9,935,000 | +\$560,000 | —202,900 | —1,600,000 | — |
| Printing and binding..... | 184,000 | — | 184,000 | 189,100 | 170,000 | 170,000 | —14,000 | —14,000 | —19,100 | — |
| Contingent expenses, public moneys..... | 415,000 | — | 415,000 | 400,000 | 400,000 | 400,000 | —15,000 | —15,000 | — | — |
| Relief of indigent of Alaska..... | 19,000 | — | 19,000 | 14,000 | 14,000 | 14,000 | —5,000 | —5,000 | — | — |
| Deposit of withheld taxes, salaries, and expenses..... | 475,000 | — | 475,000 | 475,000 | 460,000 | 460,000 | —15,000 | —15,000 | —15,000 | — |
| Recoinage of silver coins..... | 140,000 | — | 140,000 | 240,000 | 200,000 | 200,000 | +\$60,000 | +\$60,000 | —40,000 | — |
| Refund of moneys..... | \$800,000 | — | 800,000 | \$800,000 | 700,000 | 700,000 | —100,000 | —100,000 | —100,000 | — |
| Payment of certified claims..... | \$800,000 | — | 800,000 | \$800,000 | 700,000 | 700,000 | —100,000 | —100,000 | —100,000 | — |
| Foreign economic functions, salaries..... | — | —42,550 | 42,550 | — | — | — | — | —42,550 | — | — |
| Total, Bureau of Accounts..... | 13,168,400 | 925,750 | 14,094,150 | 15,714,800 | 13,655,000 | 13,655,000 | +\$486,600 | —439,150 | —2,059,800 | — |

| BUREAU OF THE PUBLIC DEBT | | | | | | | | | |
|---|------------|-----------|------------|--------------------------|------------|-------------|-------------|-------------|-------------|
| Administering the public debt----- | 65,300,000 | 1,894,000 | 67,194,000 | 68,300,000 | 64,800,000 | 64,800,000 | -500,000 | -2,394,000 | -3,500,000 |
| Distinctive paper for United States securities----- | 775,000 | | 775,000 | 1,146,000 | 1,113,000 | 1,113,000 | +338,000 | +338,000 | -33,000 |
| Total, Bureau of the Public Debt----- | 66,075,000 | 1,894,000 | 67,969,000 | 69,446,000 | 65,913,000 | 65,913,000 | -162,000 | -2,056,000 | -3,533,000 |
| OFFICE OF TREASURER OF UNITED STATES | | | | | | | | | |
| Salaries and expenses----- | 4,750,000 | 603,000 | 5,353,000 | 7 5,485,000 | 4,900,000 | 4,900,000 | +150,000 | -453,000 | -585,000 |
| Federal Reserve and National currency, salaries for redemption of (reimbursable)----- | 180,000 | 15,000 | 195,000 | (*) | | | -180,000 | -195,000 | |
| Printing and binding----- | 215,000 | | 215,000 | ⁹ 156,000 | 140,000 | 140,000 | -75,000 | -75,000 | -16,000 |
| Total, Treasurer's office----- | 5,145,000 | 618,000 | 5,763,000 | 5,641,000 | 5,040,000 | 5,040,000 | -105,000 | -723,000 | -601,000 |
| COAST GUARD | | | | | | | | | |
| Salaries, office of commandant----- | 1,697,500 | 237,600 | 1,935,100 | ¹⁰ 2,486,000 | | | | | |
| Pay and allowances----- | 78,860,000 | | 78,860,000 | 82,326,000 | | | | | |
| General expenses----- | 29,135,000 | | 29,135,000 | ¹¹ 37,016,000 | | | | | |
| Civilian employees----- | 2,281,000 | 326,400 | 2,607,400 | ¹² 4,428,000 | | | | | |
| Establishing and improving aids to navigation----- | 3,390,000 | | 3,390,000 | 2,800,000 | 97,000,000 | 109,483,123 | -10,532,877 | -11,329,877 | -23,421,277 |
| Acquisition of vessels and shore facilities----- | 1,375,000 | | 1,375,000 | 2,869,000 | | | | | +12,483,123 |
| Retired pay, former Lighthouse Service----- | 976,000 | | 976,000 | 979,400 | | | | | |

² Includes \$240,501 previously carried under certain appropriations for the State Department.

³ Includes \$3,100,000 appropriated in Urgent Deficiency Appropriation Act, 1947.

⁴ Includes \$296,497 previously carried under certain appropriations for various Government departments.

⁵ Includes \$6,500 previously carried under certain appropriations for various Government departments.

⁶ Indefinite appropriations—amounts shown are estimates.

⁷ Indefinite appropriations—amounts are estimates.

⁸ Includes \$229,145 previously carried under certain appropriations for various Government departments.

⁹ This appropriation proposed for consolidation with item immediately above.

¹⁰ Includes \$1,050 previously carried under certain appropriations for various Government departments.

¹¹ Includes \$497,451 transferred from "Salaries, Merchant Marine Inspection, Coast Guard."

¹² Includes \$274,200 transferred from "Salaries, Merchant Marine Inspection, Coast Guard."

¹³ Includes \$1,754,818 transferred from "Salaries, Merchant Marine Inspection, Coast Guard."

Comparative statement of the appropriations for 1947, the estimates for 1948, and amounts recommended in the bill—Con.

TITLE I—TREASURY DEPARTMENT—Continued

| Object | Appropriations for 1947 | Pay Act funds, 1947 | Total 1947, including Pay Act funds | Budget estimates for 1948 | Recom-mended in House bill for 1948 | Recom-mended by Senate com-mittee | Increase (+) or decrease (—), committee bill compared with— | | | | |
|--|-------------------------|---------------------|-------------------------------------|---------------------------|-------------------------------------|-----------------------------------|---|--------------------------------------|-------------------------|-----------------|--|
| | | | | | | | 1947 appro-priations | Total 1947, in-cluding Pay Act funds | Budget esti-mates, 1948 | House bill 1948 | |
| COAST GUARD—continued | | | | | | | | | | | |
| Salaries, Merchant Marine Inspec-tion..... | \$431,500 | \$54,000 | \$485,500. | (13) | | | | | | | |
| Salaries and expenses, Merchant Marine Inspection..... | 1,870,000 | 179,000 | 2,049,000 | (14) | | | | | | | |
| Total, Coast Guard..... | 120,016,000 | 797,000 | 120,813,000 | \$132,904,400 | \$97,000,000 | \$109,433,123 | —\$10,532,877 | —\$11,329,877 | \$—23,421,277 | +\$12,483,123 | |
| CUSTOMS SERVICE | | | | | | | | | | | |
| Salaries and expenses..... | 15 30,230,000 | 3,797,000 | 33,997,000 | 36,000,000 | 32,500,000 | 34,000,000 | +3,800,000 | +3,000 | —2,000,000 | +1,500,000 | |
| Printing and binding..... | 117,000 | | 117,000 | 100,000 | 95,000 | 95,000 | —22,000 | —22,000 | —5,000 | | |
| Refunds and draw-backs..... | 6 15,000,000 | | 15,000,000 | 6 18,000,000 | 15,000,000 | 15,000,000 | | | —3,000,000 | | |
| Total, Customs Service..... | 45,317,000 | 3,797,000 | 49,114,000 | 54,100,000 | 47,595,000 | 49,095,000 | +3,778,000 | —19,000 | —5,005,000 | +1,500,000 | |
| INTERNAL REVENUE BUREAU | | | | | | | | | | | |
| Expenses of assessing and collect-ing taxes..... | 184,700,000 | 19,717,400 | 204,417,400 | \$208,000,000 | \$178,000,000 | 203,000,000 | +18,300,000 | —1,417,400 | —5,000,000 | +25,000,000 | |
| Additional income tax on railroads in Alaska..... | 7,000 | | 7,000 | 3,500 | 3,500 | 3,500 | —3,500 | —3,500 | | | |
| Refunding internal revenue collec-tions..... | 62 108,000,000 | | 2,108,000,000 | \$2,031,000,000 | 1,231,000,000 | 1,231,000,000 | —877,000,000 | —877,000,000 | —800,000,000 | | |
| Total, Bureau of Internal Revenue..... | 2,292,707,000 | 19,717,400 | 2,312,424,400 | 2,239,003,500 | 1,409,003,500 | 1,434,003,500 | —858,703,500 | —878,420,900 | —805,000,000 | +25,000,000 | |
| BUREAU OF NARCOTICS | | | | | | | | | | | |
| Salaries and expenses..... | 1,300,000 | 140,000 | 1,440,000 | 1,506,400 | 1,430,000 | 1,430,000 | +130,000 | —10,000 | —76,400 | | |

| | | | | | | | | | | | | |
|--|------------|---------|------------|------------|------------|------------|------------|----------|----------|------------|--|----------|
| Printing and binding..... | 4,000 | | 4,000 | 4,000 | 4,000 | 4,000 | 4,000 | | | | | |
| Total, Bureau of Narcotics..... | 1,304,000 | 140,000 | 1,444,000 | 1,510,400 | 1,434,000 | 1,434,000 | 1,434,000 | +130,000 | -10,000 | -76,400} | | |
| BUREAU OF ENGRAVING AND PRINTING | | | | | | | | | | | | |
| Salaries and expenses..... | 11,750,000 | 939,400 | 12,689,400 | 13,500,000 | 12,000,000 | 12,000,000 | 12,000,000 | +250,000 | -689,400 | -1,500,000 | | |
| Printing and binding..... | 5,500 | | 5,500 | 5,500 | 5,000 | 5,000 | 5,000 | -500 | -500 | -500 | | |
| Total, Bureau of Engraving and Printing..... | 11,755,500 | 939,400 | 12,694,900 | 13,505,500 | 12,005,000 | 12,005,000 | 12,005,000 | +249,500 | -689,900 | -1,500,500 | | |
| SECRET SERVICE | | | | | | | | | | | | |
| Departmental salaries..... | 100,000 | 12,750 | 112,750 | 110,000 | 85,000 | 85,000 | 85,000 | -15,000 | -27,750 | -25,000 | | |
| Printing and binding..... | 8,000 | | 8,000 | 8,000 | 8,000 | 8,000 | 8,000 | | | | | |
| Suppressing counterfeiting and other crimes..... | 1,800,000 | 192,950 | 1,992,950 | 2,047,000 | 1,550,000 | 1,550,000 | 1,550,000 | -250,000 | -442,950 | -497,000 | | |
| White House Police, salaries..... | 325,000 | 45,500 | 370,500 | 372,900 | 270,000 | 372,900 | 372,900 | +47,900 | +2,400 | | | +102,900 |
| Uniforms and equipment..... | 9,000 | | 9,000 | 9,000 | 6,000 | 9,000 | 9,000 | | | | | +3,000 |
| Guard force, salaries..... | 825,000 | 47,200 | 872,200 | 849,700 | 720,000 | 720,000 | 720,000 | -105,000 | -152,200 | -129,700 | | |
| Reimbursement to District of Columbia..... | 45,000 | 7,350 | 52,350 | 68,500 | 68,500 | 68,500 | 68,500 | +23,500 | +16,150 | | | |
| Total, Secret Service..... | 3,112,000 | 305,750 | 3,417,750 | 3,465,100 | 2,707,500 | 2,813,400 | 2,813,400 | -298,600 | -604,350 | -651,700 | | +105,900 |
| BUREAU OF THE MINT | | | | | | | | | | | | |
| Director's office, salaries and expenses..... | 170,000 | 18,250 | 188,250 | 191,250 | 185,000 | 185,000 | 185,000 | +15,000 | -3,250 | -6,250 | | |
| Freight on bullion and coin..... | 85,000 | | 85,000 | 24,500 | 22,500 | 22,500 | 22,500 | -62,500 | -62,500 | -2,000 | | |
| Operation of mints and assay offices..... | 6,000,000 | 160,300 | 6,160,300 | 6,960,600 | 6,250,000 | 6,250,000 | 6,250,000 | +250,000 | +89,700 | -710,600 | | |
| Medals for Generals Pershing and Mitchell..... | 4,900 | | 4,900 | | | | | -4,900 | -4,900 | | | |
| Printing and binding..... | 9,500 | | 9,500 | 10,500 | 10,000 | 10,000 | 10,000 | +500 | +500 | -500 | | |
| Total, mints and assay offices..... | 6,289,400 | 178,550 | 6,447,950 | 7,186,850 | 6,467,500 | 6,467,500 | 6,467,500 | +198,100 | +19,550 | -719,350 | | |

⁶ Indefinite appropriations—amounts are estimates.

¹³ Proposed for consolidation with appropriation "Salaries, Office of Commandant, Coast Guard."

¹⁴ Transferred to "Civilian employees, Coast Guard," \$1,754,818 and to "General expenses, Coast Guard," \$274,200.

¹⁵ Includes \$850,000 in the First Deficiency Appropriation Act, 1947.

Comparative statement of the appropriations for 1947, the estimates for 1948, and amounts recommended in the bill—Con.

TITLE I—TREASURY DEPARTMENT—Continued

| Object | Appropriations for 1947 | Pay Act funds, 1947 | Total 1947, including Pay Act funds | Budget estimates for 1948 | Recommended in House bill for 1948 | Recommended by Senate committee | Increase (+) or decrease (—), committee bill compared with— | | | |
|--|-------------------------|---------------------|-------------------------------------|---------------------------|------------------------------------|---------------------------------|---|-------------------------------------|------------------------|-----------------|
| | | | | | | | 1947 appropriations | Total 1947, including Pay Act funds | Budget estimates, 1948 | House bill 1948 |
| BUREAU OF FEDERAL SUPPLY | | | | | | | | | | |
| Salaries and expenses..... | \$1, 227, 000 | \$152, 700 | \$1, 379, 700 | \$1, 635, 200 | \$1, 310, 000 | \$1, 310, 000 | +\$83, 000 | —\$69, 700 | —\$325, 200 | |
| Printing and binding..... | 150, 000 | | 150, 000 | 185, 000 | 170, 000 | 170, 000 | +20, 000 | +20, 000 | —15, 000 | |
| Strategic and critical materials, national defense..... | 100, 000, 000 | | 100, 000, 000 | | | | —100, 000, 000 | —100, 000, 000 | | |
| Total, Bureau of Federal Supply..... | 101, 377, 000 | 152, 700 | 101, 529, 700 | 1, 820, 200 | 1, 480, 000 | 1, 480, 000 | —99, 897, 000 | —100, 049, 700 | —340, 200 | |
| Total, Treasury Department, title I, regular annual appropriations..... | 2, 689, 055, 050 | 29, 766, 400 | 2, 718, 821, 450 | 2, 554, 034, 250 | 1, 671, 317, 500 | 1, 710, 506, 523 | —978, 548, 527 | —1, 008, 314, 927 | —843, 527, 727 | +39, 189, 023 |
| PERMANENT APPROPRIATIONS | | | | | | | | | | |
| General and special funds: | | | | | | | | | | |
| Interest on deposits of public money of Philippine Islands..... | 2, 546, 216 | | 2, 546, 216 | 2, 100, 000 | 2, 100, 000 | 2, 100, 000 | —446, 216 | —446, 216 | | |
| Pershing Hall memorial fund..... | 5, 043 | | 5, 043 | 5, 043 | 5, 043 | 5, 043 | | | | |
| Redemption of bonds from repayment of Public Works Administration loans..... | 8, 000, 000 | | 8, 000, 000 | 5, 000, 000 | 5, 000, 000 | 5, 000, 000 | —3, 000, 000 | —3, 000, 000 | | |
| Sinking fund..... | 587, 560, 000 | | 587, 560, 000 | 587, 560, 000 | 587, 560, 000 | 587, 560, 000 | | | | |
| Interest on the public debt..... | 4, 950, 000, 000 | | 4, 950, 000, 000 | 5, 000, 000, 000 | 5, 000, 000, 000 | 5, 000, 000, 000 | +50, 000, 000 | +50, 000, 000 | | |
| Miscellaneous gifts, forfeitures, etc..... | 5, 000 | | 5, 000 | 5, 000 | 5, 000 | 5, 000 | | | | |

| | | | | | | | |
|--|---------------|---------------|---------------|---------------|---------------|--------------|--------------|
| Obligations retired from Federal Intermediate Credit Bank franchise tax receipts | 289,000 | 289,000 | 225,000 | 225,000 | 225,000 | -64,000 | -64,000 |
| Contingent expenses, national currency (reimbursable) | 2,500 | 2,500 | | | | -2,500 | -2,500 |
| Total, general and special funds | 5,548,407,759 | 5,548,407,759 | 5,594,895,043 | 5,594,895,043 | 5,594,895,043 | +46,487,284 | +46,487,284 |
| Trust funds: | | | | | | | |
| Federal old-age and survivors insurance trust fund | 1,517,800,000 | 1,517,800,000 | 2,177,400,000 | 2,177,400,000 | 2,177,400,000 | +659,600,000 | +659,600,000 |
| Unemployment trust fund | 1,261,714,985 | 1,261,714,985 | 1,413,673,778 | 1,413,673,778 | 1,413,673,778 | +151,958,793 | +151,958,793 |
| Unclaimed moneys, payment of | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | | |
| Philippine trust fund, coconut oil (internal revenue) | 69,940 | 69,940 | | | | -69,940 | -69,940 |
| Puerto Rico trust fund (internal revenue) | 2,600 | 2,600 | 2,600 | 2,600 | 2,600 | | |
| Expenses, Prohibition Act, Puerto Rico and Virgin Islands | 93,000 | 93,000 | 105,600 | 105,600 | 105,600 | +12,600 | +12,600 |
| American Samoa trust fund | 2,200 | 2,200 | 2,200 | 2,200 | 2,200 | | |
| Total, trust funds | 2,779,782,725 | 2,779,782,725 | 3,591,284,178 | 3,591,284,178 | 3,591,284,178 | +811,501,453 | +811,501,453 |
| Total, permanent appropriations, including trust funds | 8,328,190,484 | 8,328,190,484 | 9,186,179,221 | 9,186,179,221 | 9,186,179,221 | +857,988,737 | +857,988,737 |

TITLE II—POST OFFICE DEPARTMENT

[illegible]

* Includes \$8,179 appropriated in Third Deficiency Appropriation Act, 1946.

Comparative statement of the appropriations for 1947, the estimates for 1948, and amounts recommended in the bill—Con.

TITLE II—POST OFFICE DEPARTMENT—Continued

| Object | Appropriations for 1947 | Pay Act funds, 1947 | Total 1947, including Pay Act funds | Budget esti- mates for 1948 | Recom- mended in House bill for 1948 | Recom- mended by Senate com- mittee | Increase (+) or decrease (-), committee bill compared with— | | | |
|--|-------------------------|---------------------|-------------------------------------|-----------------------------|--------------------------------------|-------------------------------------|---|---------------------------------------|--------------------------|-----------------|
| | | | | | | | 1947 appro- priations | Total 1947, in- cluding Pay Act funds | Budget esti- mates, 1948 | House bill 1948 |
| POST OFFICE DEPARTMENT, WASH- INGTON, D. C.—continued | | | | | | | | | | |
| Salaries—Continued | | | | | | | | | | |
| First Assistant Postmaster General, office of..... | \$376,200 | \$137,900 | \$1,114,100 | \$1,161,000 | \$1,100,000 | \$1,130,000 | +\$153,800 | +\$15,900 | -\$31,000 | +\$30,000 |
| Second Assistant Postmaster Gen- eral, office of..... | 762,000 | 110,900 | 872,900 | 938,500 | 900,000 | 920,000 | +\$158,000 | +\$47,100 | -18,500 | +\$20,000 |
| Third Assistant Postmaster Gen- eral, office of..... | 1,145,750 | 158,200 | 1,303,950 | 1,361,000 | 1,325,000 | 1,340,000 | +\$194,250 | +\$36,050 | -21,000 | +\$15,000 |
| Fourth Assistant Postmaster Gen- eral, office of..... | 634,900 | 78,000 | 712,900 | 761,700 | 700,000 | 725,000 | +\$90,100 | +\$12,100 | -36,700 | +\$25,000 |
| Solicitor's office..... | 168,750 | 21,000 | 189,750 | 314,000 | 250,000 | 250,000 | +\$81,250 | +\$60,250 | -64,000 | ----- |
| Chief inspector's office..... | 368,500 | 31,300 | 399,800 | 430,400 | 400,000 | 400,000 | +\$31,500 | +\$200 | -30,400 | ----- |
| Purchasing agent's office..... | 67,800 | 9,800 | 77,600 | 83,800 | 78,000 | 83,800 | +\$16,000 | +\$6,200 | ----- | +\$5,800 |
| Bureau of Accounts..... | 487,000 | 77,100 | 564,100 | 516,000 | 500,000 | 500,000 | +\$13,000 | -\$64,100 | -16,000 | ----- |
| Total salaries..... | 4,977,629 | 675,200 | 5,672,829 | 6,039,100 | 5,687,500 | 5,798,300 | +\$800,671 | +\$125,471 | -240,800 | +\$110,800 |
| Contingent | | | | | | | | | | |
| Miscellaneous expenses, Washing- ton..... | 155,000 | ----- | 155,000 | 190,000 | 145,000 | 145,000 | -10,000 | -10,000 | -45,000 | ----- |
| Printing and binding..... | 1,825,000 | ----- | 1,825,000 | 1,731,000 | 1,500,000 | 1,700,000 | -125,000 | -125,000 | -31,000 | +\$200,000 |
| Total, contingent expenses, Washington..... | 1,980,000 | ----- | 1,980,000 | 1,921,000 | 1,645,000 | 1,845,000 | -135,000 | -135,000 | -76,000 | +\$200,000 |

| Grand total, Post Office Department, Washington, D. C. | 6,977,629 | 675,200 | 7,652,829 | 7,960,100 | 7,332,500 | 7,643,300 | +665,671 | -9,529 | -316,800 | +310,800 |
|--|-------------|------------|-------------|-------------|-------------|-------------|-------------|----------|----------|----------|
| POSTAL SERVICE | | | | | | | | | | |
| <i>Office of Postmaster General</i> | | | | | | | | | | |
| Travel and miscellaneous expenses. | 3,000 | | 3,000 | 3,000 | 3,000 | 3,000 | | | | |
| Personal property claims. | 209,000 | | 209,000 | 234,500 | 230,000 | 230,000 | +21,000 | +21,000 | -54,500 | |
| Adjusted losses and contingencies. | 80,500 | | 80,500 | 81,500 | 75,000 | 75,000 | -5,500 | -5,500 | -6,500 | |
| Inspectors: | | | | | | | | | | |
| Salaries of. | 3,763,000 | 263,700 | 4,026,700 | 4,402,000 | 4,300,000 | 4,300,000 | +537,000 | +273,300 | -102,000 | |
| Traveling and miscellaneous expenses of. | 955,000 | | 955,000 | 973,900 | 960,000 | 960,000 | +5,000 | +5,000 | -13,900 | |
| Clerks at headquarters. | 1,089,500 | 149,600 | 1,239,100 | 1,293,000 | 1,178,000 | 1,178,000 | +88,500 | -61,100 | -115,000 | |
| Rewards, payment of. | 55,000 | | 55,000 | 75,500 | 55,000 | 55,000 | | | -20,500 | |
| Total, office of Postmaster General. | 6,155,000 | 413,300 | 6,568,300 | 7,113,400 | 6,801,000 | 6,801,000 | +646,000 | +232,700 | -312,400 | |
| <i>First Assistant Postmaster General</i> | | | | | | | | | | |
| Postmaster. | 75,518,100 | 12,701,900 | 88,220,000 | 87,671,000 | 87,470,000 | 87,470,000 | +11,951,900 | -750,000 | -201,000 | |
| Assistant postmasters. | 11,440,000 | 1,260,000 | 12,700,000 | 13,656,000 | 12,800,000 | 12,800,000 | +1,360,000 | +100,000 | -856,000 | |
| Clerks, first- and second-class post offices. | 412,994,600 | 74,221,400 | 487,216,000 | 487,664,000 | 487,000,000 | 487,817,600 | +74,823,000 | +601,600 | +163,600 | +817,600 |
| Contract stations. | 2,900,000 | | 2,900,000 | 3,525,000 | 3,500,000 | 3,500,000 | +600,000 | +600,000 | -25,000 | |
| Separating mails at third- and fourth-class post offices. | 180,000 | | 180,000 | 184,000 | 180,000 | 180,000 | | | -4,000 | |
| Unusual conditions at post offices. | 50,000 | | 50,000 | 25,000 | 25,000 | 25,000 | -25,000 | -25,000 | | |
| Clerks, third-class post offices. | 17,358,000 | 5,954,000 | 23,312,000 | 24,564,000 | 24,000,000 | 24,000,000 | +6,642,000 | +688,000 | -564,000 | |
| Miscellaneous items, first- and second-class post offices. | 3,450,000 | 200,400 | 3,650,400 | 3,957,000 | 3,600,000 | 3,600,000 | +150,000 | -50,400 | -357,000 | |
| Village delivery service. | 273,400 | 51,600 | 325,000 | 333,700 | 300,000 | 500,000 | +26,600 | -25,000 | -33,700 | |
| Detroit River postal service. | 12,990 | | 12,990 | 12,750 | 12,750 | 12,750 | -240 | -240 | | |

Comparative statement of the appropriations for 1947, the estimates for 1948, and amounts recommended in the bill—Con.

TITLE II—POST OFFICE DEPARTMENT—Continued

| Object | Appropriations for 1947 | Pay Act funds, 1947 | Total 1947, including Pay Act funds | Budget estimates for 1948 | Recommended in House bill for 1948 | Recommended by Senate committee | Increase (+) or decrease (—), committee bill compared with— | | | | |
|--|-------------------------|---------------------|-------------------------------------|---------------------------|------------------------------------|---------------------------------|---|-------------------------------------|------------------------|-----------------|--|
| | | | | | | | 1947 appropriations | Total 1947, including Pay Act funds | Budget estimates, 1948 | House bill 1948 | |
| POSTAL SERVICE—continued | | | | | | | | | | | |
| <i>First Assistant Postmaster General—Continued.</i> | | | | | | | | | | | |
| Carfare and bicycle allowance including special-delivery carfare | \$1,950,500 | | \$1,950,500 | \$1,900,000 | \$1,700,000 | \$1,900,000 | —\$50,500 | —\$50,500 | | +\$200,000 | |
| Letter carriers, city delivery service | 245,800,000 | \$42,981,200 | 288,781,200 | 295,638,000 | 295,300,000 | 295,300,000 | +49,500,000 | +6,518,800 | —\$338,000 | | |
| Fees to special-delivery messengers | 12,200,000 | 1,488,000 | 13,688,000 | 14,314,000 | 14,000,000 | 14,000,000 | +1,800,000 | +312,000 | —314,000 | | |
| Rural delivery service | 116,332,100 | 13,793,900 | 130,126,000 | 129,367,000 | 129,167,000 | 129,167,000 | +12,834,900 | —959,000 | —200,000 | | |
| Total, office of First Assistant | 900,459,690 | 152,652,400 | 1,053,112,090 | 1,082,811,450 | 1,059,054,750 | 1,060,072,350 | +159,612,660 | +6,960,260 | —2,739,100 | +1,017,600 | |
| <i>Second Assistant Postmaster General</i> | | | | | | | | | | | |
| Inland transportation: | | | | | | | | | | | |
| Star-route service (except Alaska) | 21,573,000 | | 21,573,000 | 22,803,000 | 22,500,000 | 22,500,000 | +927,000 | +927,000 | —303,000 | | |
| Star routes in Alaska | 450,000 | | 450,000 | 490,000 | 415,000 | 415,000 | —35,000 | —35,000 | —75,000 | | |
| Steamboat or other powerboat routes | 1,600,000 | | 1,600,000 | 1,900,000 | 1,700,000 | 1,700,000 | +100,000 | +100,000 | —200,000 | | |
| Railroad routes and mail-messenger service | 149,500,000 | | 149,500,000 | 145,777,000 | 145,000,000 | 145,000,000 | —4,500,000 | —4,500,000 | —777,000 | | |
| Railway Mail Service: | | | | | | | | | | | |
| Salaries | 93,144,800 | 13,055,200 | 106,200,000 | 105,245,000 | 104,000,000 | 104,000,000 | +10,855,200 | —2,200,000 | —1,245,000 | | |
| Travel allowance to railway postal clerks | 5,203,000 | | 5,203,000 | 5,246,000 | 5,000,000 | 5,000,000 | —203,000 | —203,000 | —246,000 | | |

| | | | | | | | | | | |
|---|-------------|------------|-------------|-------------|-------------|-------------|------------|-------------|------------|-------|
| Travel expenses, superintendents, chief clerks, etc..... | 71,000 | | 71,000 | 58,000 | 55,000 | 55,000 | -16,000 | -16,000 | -3,000 | ----- |
| Rent, light, fuel, etc..... | 415,000 | | 415,000 | 476,400 | 450,000 | 450,000 | +35,000 | +35,000 | -26,400 | ----- |
| By electric and cable cars..... | 235,000 | | 235,000 | 225,000 | 210,000 | 210,000 | -25,000 | -25,000 | -15,000 | ----- |
| Foreign mail transportation (excluding foreign air mail)..... | 18,964,000 | | 18,964,000 | 10,301,000 | 9,500,000 | 9,500,000 | -9,464,000 | -9,464,000 | -801,000 | ----- |
| Foreign countries, balances due..... | 2 3,118,064 | | 2 3,118,064 | 3,500,000 | 3,250,000 | 3,250,000 | +131,836 | +131,836 | -250,000 | ----- |
| Foreign air-mail transportation..... | 6,000,000 | | 6,000,000 | 6,000,000 | 5,500,000 | 5,500,000 | -500,000 | -500,000 | -500,000 | ----- |
| Indemnities for loss or injury of international mail..... | 11,577 | | 11,577 | 15,000 | 15,000 | 15,000 | +3,423 | +3,423 | ----- | ----- |
| Domestic air-mail transportation..... | 39,972,000 | | 39,972,000 | 37,850,000 | 37,000,000 | 37,000,000 | -2,972,000 | -2,972,000 | -850,000 | ----- |
| Total, Office of Second Assistant..... | 340,257,441 | 13,055,200 | 353,312,641 | 339,886,400 | 334,595,000 | 334,595,000 | -5,662,441 | -18,717,641 | -5,291,400 | ===== |
| <i>Third Assistant Postmaster General</i> | | | | | | | | | | |
| Stamps, stamped envelopes, news-paper wrappers, and postal cards..... | 8,269,400 | 3,600 | 8,273,000 | 7,515,000 | 7,400,000 | 7,400,000 | -869,400 | -873,000 | -115,000 | ----- |
| Indemnity for loss of registered mails, etc..... | 3,000,000 | | 3,000,000 | 2,540,000 | 2,300,000 | 2,300,000 | -700,000 | -700,000 | -240,000 | ----- |
| Unpaid money orders..... | 1,741,000 | | 1,741,000 | 1,120,000 | 600,000 | 600,000 | -1,141,000 | -1,141,000 | -520,000 | ----- |
| Total, Office of Third Assistant..... | 13,010,400 | 3,600 | 13,014,000 | 11,175,000 | 10,300,000 | 10,300,000 | -2,710,400 | -2,714,000 | -875,000 | ===== |
| <i>Fourth Assistant Postmaster General</i> | | | | | | | | | | |
| Stationery, equipment, and supplies..... | 6,792,000 | 26,600 | 6,818,600 | 7,085,000 | 6,500,000 | 6,500,000 | -292,000 | -318,600 | -585,000 | ----- |
| Equipment shops..... | 2,875,000 | 193,800 | 3,068,800 | 3,600,000 | 3,200,000 | 3,200,000 | +325,000 | +131,200 | -400,000 | ----- |
| Rent, light, and fuel..... | 12,985,000 | | 12,985,000 | 13,457,000 | 13,000,000 | 13,457,000 | +472,000 | +472,000 | +457,000 | ----- |
| Pneumatic-tube service (New York and Boston)..... | 639,700 | 61,300 | 701,000 | 701,900 | 700,000 | 700,000 | +60,300 | -1,000 | -1,900 | ----- |
| Vehicle service..... | 36,917,700 | 2,486,300 | 39,404,000 | 37,386,000 | 36,500,000 | 36,500,000 | -417,700 | -2,904,000 | -886,000 | ----- |
| Transportation of equipment..... | 490,000 | | 490,000 | 520,000 | 500,000 | 520,000 | +30,000 | +30,000 | +20,000 | ----- |

2 Unexpended balance continued available.

Comparative statement of the appropriations for 1947, the estimates for 1948, and amounts recommended in the bill—Con

TITLE II—POST OFFICE DEPARTMENT—Continued

| Object | Appropriations for 1947 | Pay Act funds, 1947 | Total 1947, including Pay Act funds | Budget estimates for 1948 | Recommended in House bill for 1948 | Recommended by Senate committee | Increase (+) or decrease (-), committee bill compared with— | | | |
|--|-------------------------|---------------------|-------------------------------------|---------------------------|------------------------------------|---------------------------------|---|-------------------------------------|------------------------|-----------------|
| | | | | | | | 1947 appropriations | Total 1947, including Pay Act funds | Budget estimates, 1948 | House bill 1948 |
| POSTAL SERVICE—continued | | | | | | | | | | |
| <i>Fourth Assistant Postmaster General—Continued</i> | | | | | | | | | | |
| Public buildings, maintenance and operation: | | | | | | | | | | |
| Operating force..... | \$37, 110, 000 | \$7, 074, 700 | \$44, 184, 700 | \$45, 393, 000 | \$44, 750, 000 | \$44, 750, 000 | +\$7, 640, 000 | +\$565, 300 | -\$613, 000 | ----- |
| Operating supplies..... | 6, 874, 950 | ----- | 6, 874, 950 | 7, 000, 000 | 6, 750, 000 | 6, 750, 000 | -124, 950 | -124, 950 | -250, 000 | ----- |
| Furniture, etc..... | 813, 000 | ----- | 813, 000 | 1, 000, 000 | 750, 000 | 750, 000 | -68, 000 | -68, 000 | -250, 000 | ----- |
| Total, Office of Fourth Assistant..... | 105, 502, 350 | 9, 842, 700 | 115, 345, 050 | 116, 142, 900 | 112, 650, 000 | 113, 127, 000 | +7, 624, 650 | -2, 218, 050 | -3, 015, 900 | +\$477, 000 |
| Total, Postal Service..... | 1, 365, 334, 881 | 175, 967, 200 | 1, 541, 352, 081 | 1, 537, 129, 150 | 1, 523, 400, 750 | 1, 524, 895, 350 | +159, 510, 469 | -16, 456, 731 | -12, 233, 800 | +1, 494, 600 |
| Total, Post Office, departmental..... | 6, 977, 629 | 675, 200 | 7, 652, 829 | 7, 930, 100 | 7, 332, 500 | 7, 643, 300 | +665, 671 | -9, 529 | -316, 800 | +310, 800 |
| Grand total, Post Office Department..... | 1, 372, 362, 510 | 176, 642, 400 | 1, 549, 004, 910 | 1, 545, 089, 250 | 1, 530, 733, 250 | 1, 532, 538, 650 | +160, 176, 140 | -16, 466, 260 | -12, 550, 600 | +1, 805, 400 |
| Grand total, titles I and II..... | 4, 061, 417, 560 | 203, 408, 800 | 4, 267, 826, 360 | 4, 099, 123, 500 | 3, 202, 050, 750 | 3, 243, 045, 173 | -818, 372, 337 | -1, 024, 731, 137 | -856, 078, 327 | +40, 994, 423 |

80TH CONGRESS
1ST SESSION

H. R. 2436

[Report No. 201]

IN THE SENATE OF THE UNITED STATES

MARCH 12 (legislative day, FEBRUARY 19), 1947

Read twice and referred to the Committee on Appropriations

MAY 26 (legislative day, APRIL 21), 1947

Reported by Mr. CORDON, with amendments

[Omit the part struck through and insert the part printed in *italic*]

AN ACT

Making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1948, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 TITLE I—TREASURY DEPARTMENT

4 That the following sums are appropriated, out of any money
5 in the Treasury not otherwise appropriated, for the Treasury
6 Department for the fiscal year ending June 30, 1948,
7 namely:

1 OFFICE OF THE SECRETARY

2 Salaries: For personal services in the District of Colum-
3 bia, \$409,000: *Provided*, That no part of the money appro-
4 priated shall be used to pay the salaries of more than
5 eighteen messengers assigned to duty in the Office of the
6 Secretary.

7 Personal or property damage claims: For payment of
8 claims pursuant to part 2 of the Federal Tort Claims Act
9 of August 2, 1946 (Public Law 601), \$20,000.

10 Penalty mail costs: For deposit in the general fund of
11 the Treasury for cost of penalty mail of the Treasury De-
12 partment as required by the Act of June 28, 1944,
13 \$6,700,000.

14 OFFICE OF GENERAL COUNSEL AND TAX LEGISLATIVE
15 COUNSEL

16 **Salaries:** For personal services in the District of Colum-
17 bia, ~~\$450,000~~ *\$250,000*.

DIVISION OF TAX RESEARCH AND RESEARCH AND STATISTICS

20 *Salaries: For personal services in the District of*
21 *Columbia, \$300,000.*

22 DIVISION OF PERSONNEL

23 Salaries: For personal services in the District of
24 Columbia, \$127,000.

25 Health service programs, Treasury Department: For

1 expenses necessary in maintaining health service programs,
2 pursuant to Public Law 658, Seventy-ninth Congress, for
3 employees of the Department in the District of Columbia,
4 \$75,000: *Provided*, That other appropriations in this Act
5 shall be available for health service program in the field as
6 authorized by said Public Law 658.

7 OFFICE OF CHIEF CLERK

8 Salaries: For personal services in the District of Colum-
9 bia, \$326,000.

10 MISCELLANEOUS EXPENSES, TREASURY DEPARTMENT

11 Miscellaneous expenses: For necessary expenses of the
12 Office of the Secretary and the bureaus and offices of the
13 Treasury Department, not otherwise provided for; including
14 operating expenses of the Treasury, Treasury Annex, Audi-
15 tors', and Liberty Loan Buildings; \$225,000.

16 Printing and binding: For printing and binding for the
17 Department except such bureaus and offices as may be other-
18 wise provided for, including materials for the use of the
19 bookbinder, located in the Department, but not including
20 work done at the New York Customhouse bindery authorized
21 by the Joint Committee on Printing in accordance with the
22 Act of March 1, 1919 (44 U. S. C. 111), \$35,000.

23 CUSTODY OF TREASURY BUILDINGS

24 Salaries: For personal services in the District of Colum-
25 bia, including the operating force of the Treasury Building.

1 the Treasury Annex, the Liberty Loan Building, the Audi-
2 tors' Building, and the west and south annexes thereof,
3 \$650,000.

4 FISCAL SERVICE

5 BUREAU OF ACCOUNTS

6 Salaries and expenses: For necessary expenses in the
7 District of Columbia, including contract stenographic report-
8 ing services, \$1,016,000.

9 Salaries and expenses, deposit of withheld taxes: For
10 necessary expenses incident to the deposit of withheld
11 taxes in Government depositories pursuant to the Current
12 Tax Payment Act of 1943, including personal services in
13 the District of Columbia and reimbursement to Federal
14 Reserve banks for printing and other necessary expenses,
15 \$460,000.

16 Printing and binding: For printing and binding, Bureau
17 of Accounts, \$60,000.

18 Salaries and expenses: For necessary expenses of the
19 Division of Disbursement, including personal services in the
20 District of Columbia, \$9,935,000: *Provided*, That with the
21 approval of the Bureau of the Budget there may be trans-
22 ferred to this appropriation and to the appropriation "Print-
23 ing and binding, Division of Disbursement" from Railroad
24 Retirement Board, "Conservation and use of agricultural
25 land resources, Department of Agriculture," and from avail-

1 able corporate funds of Government-owned or -controlled
2 corporations, such sums as may be necessary to cover the
3 expense incurred in performing the function of disbursement
4 therefor.

5 Printing and binding: For printing and binding,
6 Division of Disbursement, including the cost of transporta-
7 tion to field offices of printed and bound material and the cost
8 of necessary packing boxes and packing materials, \$170,000.

9 Contingent expenses, public moneys: For contingent
10 expenses under the requirements of section 3653 of the Re-
11 vised Statutes (31 U. S. C. 545), for the collection, safekeep-
12 ing, transfer, and disbursement of the public money, trans-
13 portation of notes, bonds, and other securities of the United
14 States, transportation of gold coin and gold certificates trans-
15 ferred to Federal Reserve banks and branches, United States
16 mints and assay offices, and the Treasury, after March 9,
17 1933, actual expenses of examiners detailed to examine the
18 books, accounts, and money on hand at the several deposi-
19 tories, including national banks acting as depositories under
20 the requirements of section 3649, Revised Statutes (31
21 U. S. C. 548), also including examinations of cash accounts
22 at mints, \$400,000.

23 Recoinage of silver coins: For expenses necessary to
24 continue the recoinage of worn and uncurrent subsidiary
25 silver coins of the United States now in the Treasury or

1 hereafter received, and to reimburse the Treasurer of the
2 United States for the difference between the nominal or face
3 value of such coins and the amount the same will produce in
4 new coins, \$200,000.

5 Relief of the indigent, Alaska: For the payment to the
6 United States district judges in Alaska (not to exceed 10
7 per centum of the receipts from licenses collected outside
8 of incorporated towns in Alaska), to be expended for the
9 relief of persons in Alaska who are indigent and incapac-
10 itated through nonage, old age, sickness, or accident,
11 \$14,000.

12 Refund of moneys erroneously received and covered:
13 For meeting any expenditures of the character formerly
14 chargeable to the appropriation accounts abolished under
15 section 18 of the Permanent Appropriation Repeal Act of
16 1934, approved June 26, 1934, and any other collections
17 erroneously received and covered which are not properly
18 chargeable to any other appropriation, \$700,000.

19 Payment of certified claims: For the payment of claims
20 (not to exceed \$500 in any case) which may be certified
21 during the fiscal year 1948 by the Comptroller General of
22 the United States to be lawfully due, within the limits of,
23 and chargeable against the balances of the respective appro-
24 priations heretofore made which, after remaining unex-
25 pended, have been carried to the surplus fund pursuant to

1 section 5 of the Act of June 20, 1874 (31 U. S. C. 713),
2 \$700,000.

3 Payment of unclaimed moneys: For meeting any ex-
4 penditures of the character formerly chargeable to the
5 appropriation accounts abolished under section 17 of the
6 Permanent Appropriation Repeal Act of 1934, approved
7 June 26, 1934, payable from the funds held by the United
8 States in the trust fund receipt account "Unclaimed moneys
9 of individuals whose whereabouts are unknown", \$100,000.

10 BUREAU OF THE PUBLIC DEBT

11 Administering the public debt: For necessary expenses
12 connected with any public-debt operations authorized by
13 the Second Liberty Bond Act, as amended (31 U. S. C.
14 760-762), and with the administration of any public debt
15 or currency issues of the United States with which the Secre-
16 tary of the Treasury is charged, \$64,800,000, to be expended
17 as the Secretary of the Treasury may direct: *Provided,*
18 That from the amount appropriated herein, the Federal
19 Reserve banks and their branches may be reimbursed for
20 expenditures made by them as fiscal agents of the United
21 States on account of public-debt transactions for the account
22 of the Secretary of the Treasury, and advances to the Post-
23 master General may be made in accordance with the pro-
24 visions of section 22 (e) of the Second Liberty Bond Act,
25 as amended (31 U. S. C. 757c (e)), which section shall

1 be construed as applying to this appropriation: *Provided*
2 *further*, That the indefinite appropriation provided by sec-
3 tion 10 of the Second Liberty Bond Act, as amended, shall
4 not be available for obligation during the fiscal year 1948.

5 Distinctive paper for United States currency: For dis-
6 tinctive paper for United States currency, including trans-
7 portation of paper, traveling, mill, and other necessary ex-
8 penses, and salaries of employees and allowance, in lieu
9 of expenses, of officer or officers detailed from the Treasury
10 Department, not exceeding \$50 per month each when ac-
11 tually on duty, \$1,113,000: *Provided*, That in order to foster
12 competition in the manufacture of distinctive paper for
13 United States securities, the Secretary of the Treasury is
14 authorized, in his discretion, to split the award for such
15 paper for the fiscal year 1948 between the two bidders whose
16 prices per pound are the lowest received after advertisement.

17 OFFICE OF THE TREASURER OF THE UNITED STATES

18 Salaries and expenses: For necessary expenses of the
19 Office of the Treasurer, \$4,900,000: *Provided*, That with
20 the approval of the Bureau of the Budget, there may be
21 transferred to this appropriation and to the appropriation
22 "Printing and binding, Office of the Treasurer", from
23 Railroad Retirement Board, "Conservation and use of
24 agricultural land resources, Department of Agriculture," and
25 from available corporate funds of Government owned or con-

1 trolled corporations, such sums as may be necessary to cover
2 the expenses incurred in the clearing of checks, servicing of
3 bonds, handling of collections, and rendering of accounts
4 therefor.

5 Printing and binding: For printing and binding for
6 the Office of the Treasurer, \$140,000.

7 BUREAU OF CUSTOMS

8 Salaries and expenses: For collecting the revenue from
9 customs, for enforcement, under section 102, Reorganization
10 Plan No. III of 1946, of certain navigation laws, for the
11 detection and prevention of frauds upon the customs revenue,
12 and not to exceed \$100,000 for the securing of evidence of
13 violations of the customs and navigation laws; for expenses
14 of transportation and transfer of customs receipts from points
15 where there are no Government depositories; not to exceed
16 \$500 for subscriptions to newspapers; not to exceed \$85,000
17 for stationery; not to exceed \$12,000 for improving, repair-
18 ing, maintaining, or preserving buildings, inspection stations,
19 office quarters, including living quarters for officers, sheds,
20 and sites along the Canadian and Mexican borders acquired
21 under authority of the Act of June 26, 1930 (19 U. S. C.
22 68) ; and for the purchase of one hundred and fifty passenger
23 motor vehicles; for the cost of seizure, storage, and disposition
24 of any merchandise, vehicle and team, automobile, boat, air

1 or water craft, or any other conveyance seized under the
2 provisions of the customs laws; for the purchase of arms,
3 ammunition, and accessories; not to exceed ~~\$826,000~~
4 ~~\$832,438~~ for personal services in the District of Columbia
5 exclusive of ten persons from the field force authorized to
6 be detailed under section 525 of the Tariff Act of 1930;
7 ~~\$32,500,000~~ ~~\$34,000,000~~, of which \$300,000 shall con-
8 stitute an advance fund to enable the Bureau of Customs to
9 meet obligations incurred by it arising from services rendered
10 to private interests, pending receipt of reimbursements there-
11 from, which amount shall be returned to the Treasury not
12 later than six months after the close of the fiscal year 1948.

13 Printing and binding: For printing and binding, Bureau
14 of Customs, including the cost of transportation to field offices
15 of printed and bound material and the cost of necessary
16 packing boxes and packing materials, \$95,000.

17 Refunds and draw-backs: For the refund or payment of
18 customs collections or receipts, and for the payment of de-
19 bentures or draw-backs, bounties, and allowances, as author-
20 ized by law, \$15,000,000.

21 BUREAU OF INTERNAL REVENUE

22 Salaries and expenses: For necessary expenses in con-
23 nection with the assessment and collection of internal-revenue
24 taxes and the administration of the internal-revenue laws,
25 including the administration of such provisions of other

1 laws as are authorized by or pursuant to law to be admin-
2 istered by or under the direction of the Commissioner of
3 Internal Revenue, including one stamp agent (to be reim-
4 bursed by the stamp manufacturers) and the employment of
5 experts; the securing of evidence of violations of the Acts,
6 the cost of chemical analyses made by others than employees
7 of the United States and expenses incident to such chemists
8 testifying when necessary; necessary expenses incurred in
9 making investigations in connection with the enrollment or
10 disbarment of practitioners before the Treasury Department
11 in internal-revenue matters, expenses of seizure and sale, and
12 contract stenographic reporting services; for the acquisition
13 of property under the provisions of title III of the Liquor
14 Law Repeal and Enforcement Act, approved August 27,
15 1935 (49 Stat. 872-881), and the operation, maintenance,
16 and repair of property acquired under such title III;
17 purchase (not to exceed thirty-four) and hire of passenger
18 motor vehicle; printing and binding (not to exceed ~~\$2,480,-~~
19 ~~000~~ \$2,530,000); stationery (not to exceed ~~\$1,425,000~~
20 ~~\$1,500,000~~), and ammunition, ~~\$178,000,000~~ \$203,000,000,
21 of which amount not to exceed \$16,530,000 may be ex-
22 pended for personal services in the District of Columbia
23 and not to exceed \$100,000 for detecting and bringing to
24 trial persons guilty of violating the internal-revenue laws or

1 conniving at the same, including payments for information
2 and detection of such violation.

3 Additional income tax on railroads in Alaska: For the
4 payment to the Treasurer of Alaska of an amount equal to
5 the tax of 1 per centum collected on the gross annual income
6 of all railroad corporations doing business in Alaska, on busi-
7 ness done in Alaska, which tax is in addition to the normal
8 income tax collected from such corporations on net income,
9 the amount of such additional tax to be applicable to general
10 Territorial purposes, \$3,500.

11 Refunding internal-revenue collections: For refunding
12 internal-revenue collections, as provided by law, including the
13 payment of claims for the prior fiscal years and payment of
14 accounts arising under "Allowance or draw-back (Internal
15 Revenue)", "Redemption of stamps (Internal Revenue)",
16 "Refunding legacy taxes, Act of March 30, 1928", "Repay-
17 ment of taxes on distilled spirits destroyed by casualty", and
18 "Refunds and payments of processing and related taxes",
19 \$1,231,000,000: *Provided*, That a report shall be made to
20 Congress by internal-revenue districts and alphabetically
21 arranged of all disbursements hereunder in excess of \$500 as
22 required by section 3 of the Act of May 29, 1928 (sec. 3776,
23 I. R. C.), including the names of all persons and corpora-
24 tions to whom such payments are made, together with the
25 amount paid to each.

BUREAU OF NARCOTICS

Salaries and expenses: For expenses, including the securing of information and evidence, necessary to enforce sections 2550-2565; 2567-2571; 2590-2603; 3220-3228; 3230-3238 of the Internal Revenue Code; the Narcotic Drugs Import and Export Act, as amended (21 U. S. C. 171-184) ; the Act of June 14, 1930 (5 U. S. C. 282-282c and 21 U. S. C. 197-198) and the Opium Poppy Control Act of 1942 (21 U. S. C. Supp. V, 188-188n), including the employment of attorneys; services as authorized by section 15 of the Act of August 2, 1946 (Public Law 600) ; the costs of chemical analyses made by others than employees of the United States; cost incurred by officers and employees of the Bureau of Narcotics in the seizure, forfeiture, storage, and disposition of property under the Act of August 9, 1939 (49 U. S. C. 781-788), and the internal-revenue laws; hire of motor vehicles; purchase of arms and ammunition; in all, \$1,430,000, of which amount not to exceed \$224,000 may be expended for personal services in the District of Columbia; not exceeding \$10,000 for the collection and dissemination of information and appeal for law observance and law enforcement, including cost of printing, and not exceeding \$10,000 for services or information looking toward the apprehension of narcotic law violators who are fugitives from justice.

1 Printing and binding: For printing and binding for the
2 Bureau, \$4,000.

3 BUREAU OF ENGRAVING AND PRINTING

4 For the work of engraving and printing, exclusive of
5 repay work United States currency and internal-revenue
6 stamps, including opium orders and special-tax stamps re-
7 quired under the Act of December 17, 1914 (26 U. S. C.
8 1040, 1383), checks, drafts, and miscellaneous work, as
9 follows:

10 Salaries and expenses: For the Director, two Assistant
11 Directors, and other personal services in the District of
12 Columbia, including wages of rotary press plate printers at
13 per diem rates and all other plate printers at piece rates to
14 be fixed by the Secretary of the Treasury, not to exceed the
15 rates usually paid for such work; and other necessary ex-
16 penses, including engravers' and printers' materials and other
17 materials, including distinctive and nondistinctive paper,
18 except distinctive paper for United States currency and
19 Federal Reserve bank currency; purchase of card and con-
20 tinuous form checks; equipment of, repairs to, and mainte-
21 nance of buildings and grounds and minor alterations to
22 buildings; periodicals, examples of engraving and printing,
23 including foreign securities and stamps, and books of refer-
24 ence, not to exceed \$500; traveling expenses not to exceed
25 \$15,000; transfer to the Bureau of Standards for scientific

1 investigations in connection with the work of the Bureau
2 of Engraving and Printing, not to exceed \$15,000;
3 \$12,000,000, to be expended under the direction of the
4 Secretary of the Treasury.

5 Printing and binding: For printing and binding for the
6 Bureau of Engraving and Printing, \$5,000.

7 During the fiscal year 1948 all proceeds derived
8 from work performed by the Bureau of Engraving and Print-
9 ing, by direction of the Secretary of the Treasury, not covered
10 and embraced in the appropriations for such Bureau for such
11 fiscal year, instead of being covered into the Treasury as
12 miscellaneous receipts, as provided by the Act of August 4,
13 1886 (31 U. S. C. 176), shall be credited when received
14 to the appropriations for such Bureau for the fiscal year
15 1948.

16 SECRET SERVICE DIVISION

17 Salaries: For personal services in the District of Colum-
18 bia, \$85,000.

19 Suppressing counterfeiting and other crimes: For neces-
20 sary expenses in detecting, arresting, and delivering into the
21 custody of the United States marshal or other officer having
22 jurisdiction, dealers and pretended dealers in counterfeit
23 money, persons engaged in counterfeiting, forging, and
24 altering United States notes, bonds, national bank notes,
25 Federal Reserve notes, Federal Reserve bank notes, and

1 other obligations and securities of the United States and
2 of foreign governments (including endorsements thereon and
3 assignments thereof), as well as the coins of the United
4 States and of foreign governments, and persons com-
5 mitting other crimes against the laws of the United States
6 relating to the Treasury Department and the several branches
7 of the public service under its control; purchase of seventy-
8 five and hire of motor passenger vehicles; purchase of arms
9 and ammunition; and for the protection of the person of the
10 President and the members of his immediate family and of
11 the person chosen to be President of the United States, States;
12 \$1,550,000: *Provided*, That of the amount herein appro-
13 priated not to exceed \$15,000 may be expended for the pur-
14 pose of securing information concerning violations of the laws
15 relating to the Treasury Department, and for services or in-
16 formation looking toward the apprehension of criminals, and
17 all vouchers claiming reimbursement from such amount of
18 \$15,000 shall have the approval of the Chief of the Secret
19 Service before payment.

20 White House Police: For salaries of the White House
21 Police as authorized by law (3 U. S. C. 62), ~~\$270,000~~
22 \$372,900.

23 For uniforming and equipping the White House Police,
24 including the purchase, issue, and repair of revolvers, and
25 the purchase and issue of ammunition and miscellaneous

1 supplies, to be procured in such manner as the President may
2 determine, ~~\$6,000~~ \$9,000.

3 Salaries and expenses, guard force, Treasury buildings:
4 For expenses of the guard force for Treasury Department
5 buildings in the District of Columbia, including the Bureau
6 of Engraving and Printing, and elsewhere, including purchase,
7 repair, and cleaning of uniforms, purchase of two
8 passenger motor vehicles, and the purchase of arms and
9 ammunition and miscellaneous equipment, \$720,000: *Pro-*
10 *vided*, That not to exceed \$168,925 of the appropriation
11 "Salaries and expenses, Bureau of Engraving and Print-
12 ing", may be transferred to this appropriation to cover service
13 rendered such Bureau in connection with the protection
14 of currency, bonds, stamps, and other papers of value the cost
15 of producing which is not covered and embraced in the direct
16 appropriations for such Bureau: *Provided further*, That the
17 Secretary of the Treasury may detail two agents of the Secret
18 Service to supervise such force.

19 Printing and binding: For printing and binding for the
20 Secret Service Division, \$8,000.

21 Reimbursement to District of Columbia, benefit pay-
22 ments to White House Police and Secret Service forces: For
23 reimbursement to the District of Columbia on a monthly basis
24 for benefit payments made from the revenues of the District

1 of Columbia to members of the White House Police force
2 and such members of the United States Secret Service Divi-
3 sion as are entitled thereto under the Act of October 14,
4 1940 (54 Stat. 1118), to the extent that such benefit pay-
5 ments are in excess of the salary deductions of such members
6 credited to said revenues of the District of Columbia during
7 the fiscal year 1948, pursuant to section 12 of the Act
8 of September 1, 1916 (39 Stat. 718), as amended, \$68,500.

9 BUREAU OF THE MINT

10 Office of the Director: For personal services in
11 the District of Columbia and for assay laboratory chem-
12 icals, fuel, materials, balances, weights, specimens of
13 coins, ores, and travel and other expenses incident to
14 the examination of mints, visiting mints for the purpose
15 of superintending the annual settlement, and for the collec-
16 tion of statistics relative to the annual production and con-
17 sumption of the precious metals in the United States,
18 \$185,000.

19 Transportation of bullion and coin: For transportation
20 of bullion and coin, between mints, assay offices, and bullion
21 depositories, \$22,500, including compensation of temporary
22 employees and other necessary expenses.

23 Mints and assay offices: For necessary expenses at the
24 mints at Philadelphia, Pennsylvania; San Francisco, Cali-
25 fornia; and Denver, Colorado; the assay offices at New York,

1 New York; and Seattle, Washington, and the bullion deposi-
2 tories at Fort Knox, Kentucky; and West Point, New York,
3 and for carrying out the provisions of the Gold Reserve
4 Act of 1934 and the Silver Purchase Act of 1934, including
5 new machinery and repairs, arms and ammunition, purchase
6 and maintenance of uniforms and accessories for guards, pro-
7 tective devices, and their maintenance, training of employees
8 in use of fire arms and protective devices, purchase of a sta-
9 tion wagon, cases and enameling for medals manufactured, net
10 wastage in melting and refining and in coining departments,
11 loss on sale of sweeps arising from the treatment of bullion and
12 the manufacture of coins, not to exceed \$1,000 for the expen-
13 ses of the annual assay commission, and not exceeding \$1,000
14 for the acquisition, at the dollar face amount or otherwise, of
15 specimen and rare coins, including United States and foreign
16 gold coins and pieces of gold used as, or in lieu of, money,
17 and ores, for addition to the Government's collection of such
18 coins, pieces, and ores; \$6,250,000.

19 Printing and binding: For printing and binding for the
20 Bureau of the Mint, \$10,000.

21 BUREAU OF FEDERAL SUPPLY

22 Salaries and expenses: For necessary expenses, includ-
23 ing personal services in the District of Columbia and in the
24 field service, office supplies and materials, stationery, fuel,
25 light, electric current, and other expenses for carrying into

1 effect regulations governing the procurement, warehousing,
2 and distribution by the Bureau of Federal Supply of the
3 Treasury Department of property, equipment, stores, and
4 supplies in the District of Columbia and in the field, \$1,-
5 310,000: *Provided*, That the Secretary of the Treasury is
6 authorized and directed to transfer to this appropriation
7 from any appropriations or funds available to the several
8 departments and establishments of the Government such
9 amounts as may be approved by the Bureau of the Budget,
10 not to exceed the sum of (a) the amount of the annual com-
11 pensation of employees who may be transferred or detailed
12 to the Bureau of Federal Supply, respectively, from any such
13 department or establishment, where the transfer or detail of
14 such employee is incident to a transfer of a function or
15 functions to that Bureau and (b) such amount as the Bureau
16 of the Budget may determine to be necessary for expenses
17 other than personal services incident to the proper carrying
18 out of functions so transferred: *Provided further*, That when
19 there has been or shall be transferred from any agency of
20 the Government to the Bureau of Federal Supply any func-
21 tion of warehousing, and the agency from which such
22 function is being transferred is authorized at the time of
23 such transfer to perform functions of procurement, ware-
24 housing, or distribution of property, equipment, stores, or
25 supplies for non-Federal agencies the Bureau of Federal

1 Supply is authorized to continue the performance of such
2 functions for such non-Federal agencies where such functions
3 are to be discontinued by the agency from which the ware-
4 housing function has been transferred, and the receipts, in-
5 cluding surcharge, for all issues to and all advances by all
6 non-Federal agencies shall be credited to the general supply
7 fund: *Provided further*, That payments to the general sup-
8 ply fund for materials, and supplies (including fuel), and
9 services, and overhead expenses for all issues shall be made
10 on the books of the Treasury Department by transfer and
11 counterwarrants prepared by the Bureau of Federal Supply
12 of the Treasury Department and countersigned by the
13 Comptroller General, such warrants to be based solely on
14 itemized invoices prepared by the Bureau of Federal Supply
15 at issue prices to be fixed by the Director of Federal Supply:
16 *Provided further*, That payments covering transactions be-
17 tween the Bureau of Federal Supply and field offices of
18 other Government agencies whose detailed appropriation
19 or fund accounts are maintained elsewhere than within the
20 District of Columbia, may be made on the basis of itemized
21 vouchers or invoices prepared by the Bureau of Federal
22 Supply and sent through the appropriate field offices to the
23 disbursing officers for the agencies involved, who are hereby
24 authorized to make payment based (1) upon certification
25 of the Bureau of Federal Supply, which shall include the

1 specific statement that the vouchers are issued pursuant to
2 and in conformity with purchase orders or requisitions duly
3 executed by the agency billed, and (2) upon approval and
4 certification of such vouchers by the agency billed, which
5 action shall be based upon acceptance of the Bureau of Fed-
6 eral Supply certification as made, subject to later adjustment
7 if necessary, the responsibility of the certifying officer to be
8 limited to the availability of the funds to be charged: *Pro-*
9 *vided further*, That the general supply fund may be used to
10 purchase from or through the Public Printer standard forms
11 and blank-book work for field warehouse stocking and issue,
12 but issues thereof shall be made only to Government agencies
13 and shall be chargeable to applicable appropriation authori-
14 zations or limitations of such agencies for printing and bind-
15 ing, and reports of such issues shall be made as the Public
16 Printer may require: *Provided further*, That advances re-
17 ceived pursuant to law (31 U. S. C. 686) from departments
18 and establishments of the United States Government and the
19 government of the District of Columbia during the fiscal year
20 1948 shall be credited to the general supply fund: *Provided*
21 *further*, That during the fiscal year 1948 there shall be available
22 from the general supply fund for personal services in the District
23 of Columbia not to exceed \$1,520,000: *Provided further*,
24 That per diem employees engaged in work in connection
25 with operations of the fuel yards may be paid rates of pay

1 approved by the Secretary of the Treasury not exceeding
2 current rates for similar services in the District of Columbia:
3 *Provided further*, That the term "fuel" shall be held to
4 include "fuel oil": *Provided further*, That the reconditioning
5 and repair of surplus property and equipment for disposition
6 or reissue to Government service, may be made at cost
7 by the Bureau of Federal Supply, payment therefor to be
8 effected by charging the proper appropriation and crediting
9 the general supply fund.

10 Repairs to typewriting machines (except bookkeeping
11 and billing machines) in the Government service in the
12 District of Columbia and areas adjacent thereto may be made
13 at cost by the Bureau of Federal Supply, payment therefor
14 to be effected by charging the proper appropriation and
15 crediting the general supply fund.

16 No part of any money appropriated by this or any other
17 Act shall be used during the fiscal year 1948 for
18 the purchase, within the continental limits of the United
19 States, of any standard typewriting machines (except book-
20 keeping, billing, and electric machines) at a price in excess
21 of the following for models with carriages which will accom-
22 modate paper of the following widths, to wit: Ten inches
23 (correspondence models), \$77; twelve inches, \$82.50; four-
24 teen inches, \$85.25; sixteen inches, \$90.75; eighteen inches,
25 \$96.25; twenty inches, \$103.40; twenty two inches,

1 ~~\$104.50; twenty-four inches, \$107.25; twenty-six inches,~~
 2 ~~\$113.85; twenty-eight inches, \$114.40; thirty inches,~~
 3 ~~\$115.50; thirty-two inches, \$118.25; or, for standard type-~~
 4 ~~writing machines distinctively quiet in operation, the maxi-~~
 5 ~~mum prices shall be as follows for models with carriages~~
 6 ~~which will accommodate paper of the following widths, to~~
 7 ~~wit: Ten inches, \$88; twelve inches, \$93.50; fourteen~~
 8 ~~inches, \$99; eighteen inches, \$104.50: *Provided*, That there~~
 9 ~~may be added to such prices the amount of Federal excise~~
 10 ~~taxes paid or payable with respect to any such machines.~~

11 *No part of any money appropriated by this or any other*
 12 *Act shall be used during the fiscal year 1948 for the purchase,*
 13 *within the continental limits of the United States, of any*
 14 *standard typewriting machines (except bookkeeping, billing,*
 15 *and electrical machines) at a price in excess of 70 per centum*
 16 *of the commercial list price in effect at time of delivery for*
 17 *the various models and carriage widths purchased.*

18 Printing and binding: For printing and binding for the
 19 Bureau of Federal Supply, including printed forms and
 20 miscellaneous items for general use of the Treasury Depart-
 21 ment, the cost of transportation to field offices of printed and
 22 bound material and the cost of necessary packing boxes and
 23 packing materials, \$170,000, together with not to exceed
 24 \$4,000 to be transferred from the general supply fund,
 25 Treasury Department.

COAST GUARD

For all salaries and expenses of the Coast Guard,
~~\$97,000,000~~ \$109,483,123: *Provided*, That no part of this
appropriation shall be used to pay any enlisted man of the
Coast Guard while detailed for duty at Coast Guard head-
quarters if such detail increases above thirty the total number
of enlisted men detailed to such duty at any time: *Provided*
further, That no part of this appropriation shall be used for
increased pay for making aerial flights by nonflying officers
or observers at rates in excess of those prescribed by law
for the Army, which shall be the legal maximum rates as to
such nonflying officers or observers: *Provided further*, That
expenditures out of the foregoing appropriation shall not
exceed the limitations set forth in the following categories,
namely:

Office of Commandant: For personal services at the seat
of government, not to exceed \$2,000,000;

Pay and allowances: For pay and allowances prescribed
by law for commissioned officers, cadets, warrant officers,
petty officers, and other enlisted personnel, active and retired,
temporary cooks, surfmen, substitute surfmen, and six civilian
instructors; retired pay for certain members of the former
Life Saving Service authorized by the Act approved April
14, 1930 (14 U. S. C. 178a) ; not exceeding \$10,000 for
cash prizes for men for excellence in boatmanship, gunnery,

1 target practice, and engineering competitions; transportation
2 of dependents of Coast Guard personnel on active duty and
3 retired and Reserve officers and of retired and Reserve en-
4 listed personnel, of grades entitled to transportation of de-
5 pendants in the Regular Coast Guard, when ordered to active
6 duty (other than training) and upon relief therefrom; carry-
7 ing out the provisions of the Act of June 4, 1920 (34 U. S.
8 C. 943); not to exceed \$20,000 for cost of special
9 instruction, including books, laboratory equipment and fees,
10 school supplies, and maintenance of students; motion-
11 picture and other equipment for instructional purposes;
12 rations or commutation thereof for cadets, petty officers,
13 other enlisted personnel, and members of the Coast
14 Guard Auxiliary when assigned specific duties under the pro-
15 visions of section 8, Act of February 19, 1941, as amended
16 (14 U. S. C. 267), mileage and expenses allowed by law
17 for officers, including per diem rates of allowance, and the
18 Secretary is hereby authorized to prescribe per diem rates of
19 allowance for Public Health Service officers detailed to the
20 Coast Guard as authorized for Coast Guard officers; actual
21 and necessary expenses or per diem in lieu thereof as the
22 Secretary may determine and approve for Coast Guard per-
23 sonnel on special duty in foreign countries; traveling expenses
24 of other persons traveling on duty under orders from the
25 Treasury Department, including transportation of cadets,

1 enlisted personnel, and applicants for enlistment, with sub-
2 sistence and transfers en route, or cash in lieu thereof; trans-
3 portation in kind and subsistence to discharged cadets;
4 uniform clothing for enlisted men as provided by law
5 (14 U. S. C. 13) ; clothing for enlisted personnel au-
6 thorized by law; civilian clothing, including an overcoat
7 when necessary, the cost of all not to exceed \$30 per person
8 to enlisted personnel given discharges for bad conduct, un-
9 desirability, unsuitability, or inaptitude; reimbursement in
10 kind or in cash as authorized by law to persons in the Coast
11 Guard for personal property lost, destroyed, or damaged;
12 actual expenses of officers and cadets and quarters and sub-
13 sistence of enlisted personnel on shore patrol, emergency
14 shore detail and other detached duty, or cash in lieu thereof;
15 hire of quarters for officers serving with troops where suf-
16 ficient quarters are not possessed by the United States to
17 accommodate them; hire of quarters for Coast Guard per-
18 sonnel comparable to quarters assignable on a capital ship of
19 the Navy, as authorized by the Secretary to meet emergency
20 conditions, including officers and men on sea duty at such
21 times as they may be deprived of their quarters on board ship
22 due to repairs or other conditions which may render them
23 uninhabitable: *Provided*, That under this authorization no
24 funds may be expended for the hire of quarters for occupancy
25 by the dependents of officers or enlisted personnel; expenses

1 of recruiting for the Coast Guard; advertising for and ob-
2 taining enlisted personnel and applicants for appointment as
3 cadets; training of enlisted personnel, including textbooks,
4 school supplies, and correspondence courses; transfer of
5 household goods and effects of Coast Guard and Coast Guard
6 Reserve personnel on active duty and when ordered to active
7 duty and upon relief therefrom, and the transfer of household
8 goods and effects of deceased Coast Guard and Coast Guard
9 Reserve personnel who die while on active duty, as prescribed
10 by law and regulations; transportation on Government-owned
11 vessels of privately owned automobiles of Coast Guard per-
12 sonnel upon change of station; purchase of provisions for sale
13 to Coast Guard personnel at isolated stations, and the appro-
14 priation reimbursed; and including not to exceed \$50,000
15 for recreation, amusement, comfort, contentment, and health
16 of the enlisted personnel of the Coast Guard, to be expended
17 pursuant to regulations prescribed by the Secretary; appre-
18 hension and delivery of deserters and stragglers; in all, not
19 to exceed ~~\$70,000,000~~ \$77,153,271: *Provided*, That money
20 accruing from commutation of rations of enlisted personnel
21 commuted for the benefit of any mess may be paid on proper
22 voucher to the officer in charge of such mess: *Provided fur-*
23 *ther*, That whenever commissioned officers of the Coast Guard,
24 who were civilian employees of the former Bureau of Marine
25 Inspection and Navigation, resume their status as civilian

1 employees of the Coast Guard, or whenever civilian em-
2 ployees of the Coast Guard, who were employed in the former
3 Bureau of Marine Inspection and Navigation, are commis-
4 sioned as officers of the Coast Guard, the limitation provided
5 for "Civilian Employees, Coast Guard" and "*Office of the*
6 *Commandant*" may be exceeded, with the approval of the
7 Bureau of the Budget, by the amount of their pay as civilian
8 employees and the limitation provided for "Pay and allow-
9 ances" reduced in a like amount or vice versa, as the case
10 may be;

11 General expenses, Coast Guard: For expenses necessary
12 for the operation and maintenance of the Coast Guard
13 ashore and afloat, except as specifically provided for in
14 other appropriations, including personal services at the seat
15 of government and elsewhere; contract stenographic report-
16 ing services, pursuant to section 15 of the Act of August 2,
17 1946 (Public Law 600) ; printing and binding; purchase of
18 fifty-eight passenger motor vehicles and maintenance, opera-
19 tion, and repair of aircraft; improvement of property for Coast
20 Guard purposes, including rental, purchase, or use of addi-
21 tional land where necessary and the purchase of land for
22 beacons, daymarks, and fog signals; rations and provisions, or
23 commutation thereof, for working parties in the field, officers
24 and crews of light vessels and tenders, and officials and other
25 authorized persons of the Coast Guard on duty on board
26 such tenders or vessels, but money accruing from commuta-

1 tion of rations and provisions for the above-named persons on
2 board tenders and light vessels or in working parties in the
3 field may be paid on proper voucher to the person having
4 charge of the mess of such vessel or party; subsistence and
5 clothing for shipwrecked and destitute persons, including
6 reimbursement, under rules prescribed by the Secretary, of
7 Coast Guard personnel who furnish from their personal
8 stock subsistence and clothing to such persons; for payment
9 of claims authorized under section 1 of Public Law 277,
10 Seventy-ninth Congress, as amended by Public Law 327,
11 Seventy-ninth Congress; not to exceed \$2,500 for contingen-
12 cies for the Superintendent, United States Coast Guard
13 Academy, to be expended in his discretion; payment of
14 rewards for the apprehension and conviction, or for informa-
15 tion helpful therein, of persons found interfering in violation
16 of law with aids to navigation maintained by the Coast
17 Guard; in all, not to exceed \$29,700,000: *Provided*, That
18 the number of aircraft on hand at any one time shall not
19 exceed one hundred and ten exclusive of planes and parts
20 stored to meet future attrition;

21 Civilian employees, Coast Guard: For compensation of
22 civilian employees in the field, including per diem labor,
23 but excluding personnel provided for in the appropriation
24 "General expenses, Coast Guard", not to exceed \$3,600,000;

25 Establishing and improving aids to navigation: For

1 establishing and improving aids to navigation and other
2 works, and for expenditures directly relating thereto, not to
3 exceed \$2,300,000;

4 Acquisition of aircraft, vessels and shore facilities: For
5 the purchase or construction of additional and replacement
6 vessels and their equipment; the purchase of aircraft and
7 their equipment; and the construction, rebuilding, or extension of shore facilities, including the acquisition of sites and
8 improvements thereon when specifically approved by the
9 Secretary, and rental of shore facilities for temporary use;
10 in all, not to exceed \$2,300,000: *Provided*, That not to
11 exceed 4 per centum of the amount of this limitation shall
12 be available for administrative expenses in connection there-
13 with, including personal services at the seat of government;

15 Retired pay, former Lighthouse Service, Coast Guard:
16 For retired pay of certain officers and employees entitled
17 thereto by virtue of former employment in the Lighthouse
18 Service engaged in the field service or on vessels of the
19 Coast Guard, except persons continuously employed in
20 district offices and shops, not to exceed \$1,000,000.

21 No part of any appropriation or authorization in this
22 Act shall be used to pay any part of the salary or expenses
23 of any person whose salary or expenses are prohibited from
24 being paid from any appropriation or authorization in any
25 other Act.

1 This title may be cited as the “Treasury Department
2 Appropriation Act, 1948”.

3 TITLE II—POST OFFICE DEPARTMENT

4 The following sums are appropriated in conformity with
5 5 United States Code 361, 380; 39 United States Code 786,
6 for the Post Office Department for the fiscal year ending
7 June 30, 1948, namely:

8 POST OFFICE DEPARTMENT, WASHINGTON, DISTRICT OF
9 COLUMBIA

10 OFFICE OF THE POSTMASTER GENERAL

Salaries: For the Postmaster General and other per-
sonal services in the office of the Postmaster General in
the District of Columbia, including a health program for the
Department in Washington as authorized by the Act of
August 8, 1946 (Public Law 658), ~~\$375,000~~ *\$390,000*.

16 SALARIES IN BUREAUS AND OFFICES

For personal services in the District of Columbia in
bureaus and offices of the Post Office Department in not to
exceed the following amounts, respectively:

20 Office of Budget and Administrative Planning,
21 \$59,500.

Office of the First Assistant Postmaster General,
\$1,100,000 *\$1,130,000.*

24 Office of the Second Assistant Postmaster General,
25 ~~\$900,000~~ \$920,000.

1 Office of the Third Assistant Postmaster General,
2 ~~\$1,325,000~~ \$1,340,000.

3 Office of the Fourth Assistant Postmaster General,
4 ~~\$700,000~~ \$725,000.

5 Office of the Solicitor for the Post Office Department,
6 \$250,000.

7 Office of the chief inspector, \$400,000.

8 Office of the purchasing agent, ~~\$78,000~~ \$83,800.

9 Bureau of Accounts, \$500,000.

10 CONTINGENT EXPENSES, POST OFFICE DEPARTMENT

11 For necessary, contingent and miscellaneous expenses
12 not otherwise provided for; purchase of one passenger motor
13 vehicle (not exceeding \$3,000) ; purchase and exchange of
14 lawbooks and books of reference; newspapers; and travel
15 expenses of the purchasing agent and of the Solicitor and
16 attorneys connected with his office, not exceeding \$1,900;
17 \$145,000.

18 For printing and binding for the Post Office Depart-
19 ment and Postal Service, ~~\$1,500,000~~ \$1,700,000.

20 Appropriations hereinafter made for the field service of
21 the Post Office Department, except as otherwise provided,
22 shall not be expended for any of the purposes hereinbefore
23 provided for on account of the Post Office Department in the
24 District of Columbia: *Provided*, That necessary expenses of
25 officials and employees of the Post Office Department and

1 Postal Service, when traveling on official business, may be
 2 paid from the appropriations for the service in connection with
 3 which the travel is performed: *Provided further*, That appro-
 4 priations hereinafter made, except such as are exclusively for
 5 payment of compensation, shall be available for expenses in
 6 connection with the examination of estimates for appropria-
 7 tions in the field including per diem allowances in lieu of
 8 actual expenses of subsistence.

9 FIELD SERVICE, POST OFFICE DEPARTMENT

10 OFFICE OF THE POSTMASTER GENERAL

11 Travel expenses, Postmaster General and Assistant
 12 Postmasters General: For travel and miscellaneous expenses
 13 in the Postal Service, offices of the Postmaster General and
 14 Assistant Postmasters General, \$3,000.

15 Damage claims: For the payment of claims for damages
 16 to persons or property occurring in the fiscal year 1948, or in
 17 prior fiscal years, determined and settled pursuant to the
 18 Federal Tort Claims Act, approved August 2, 1946 (Public
 19 Law 601), and in accordance with the provisions of the
 20 Deficiency Appropriation Act, approved June 16, 1921
 21 (5 U. S. C. 392), as amended by the Act approved June
 22 22, 1934 (31 U. S. C. 224c), \$230,000.

23 Adjusted losses and contingencies: To pay to postmasters,
 24 Navy mail clerks, and assistant Navy mail clerks, Coast
 25 Guard mail clerks, Assistant Coast Guard mail clerks, Army

1 mail clerks, and assistant Army mail clerks, or credit them
2 with the amount ascertained to have been lost or destroyed
3 during the fiscal year 1948, or prior fiscal years, through
4 unavoidable casualty resulting from no fault or negligence
5 on their part, as authorized by the Act approved March 17,
6 1882, as amended by the Act approved December 7, 1945
7 (39 U. S. C. 49) , \$75,000.

8 OFFICE OF CHIEF INSPECTOR

9 Salaries of inspectors: For salaries of fifteen inspectors
10 in charge of divisions and eight hundred inspectors,
11 \$4,300,000.

12 Travel and miscellaneous expenses: For necessary travel
13 and miscellaneous expenses incurred in the operation of the
14 Post Office Inspection Service, not to exceed \$27,600 for
15 chemical and other investigations, and not to exceed \$500
16 for books of reference, \$960,000.

17 Clerks: For compensation of not exceeding three hun-
18 dred and eighty-nine clerks in the Post Office Inspection
19 Service, \$1,178,000.

20 Payment of rewards: For payment of rewards for the
21 detection, arrest, and conviction of post-office burglars, rob-
22 bers, highway mail robbers, and persons mailing or causing
23 to be mailed any bomb, infernal machine, or mechanical,
24 chemical, or other device or composition which may ignite,
25 or explode, fiscal year 1948 and prior years, \$55,000:

1 *Provided*, That rewards may be paid in the discretion of
2 the Postmaster General, when an offender of the classes
3 mentioned was killed in the act of committing the crime
4 or in resisting lawful arrest: *Provided further*, That no part
5 of this sum shall be used to pay any rewards at rates in
6 excess of those specified in Post Office Department Order
7 28673, dated July 28, 1945: *Provided further*, That of the
8 amount herein appropriated not to exceed \$20,000 may be
9 expended in the discretion of the Postmaster General, for
10 the purpose of securing information concerning violations of
11 the postal laws and for services and information looking
12 toward the apprehension of criminals.

13 OFFICE OF THE FIRST ASSISTANT POSTMASTER GENERAL

14 Compensation to postmasters: For compensation to post-
15 masters, including compensation as postmaster to persons
16 who, pending the designation of an acting postmaster, assume
17 and perform the duties of postmaster in the event of a
18 vacancy in the office of postmaster of the third or fourth
19 class, and for allowances for rent, light, fuel, and equipment
20 to postmasters of the fourth class, \$87,470,000.

21 Compensation to assistant postmasters: For compensa-
22 tion to assistant postmasters at first- and second-class post
23 offices, \$12,800,000.

24 Clerks, first- and second-class post offices: For compen-
25 sation to clerks and employees at first- and second-class post

1 offices, including auxiliary clerk hire at summer and winter
2 post offices, printers, mechanics, skilled laborers, watchmen,
3 messengers, mail handlers, and substitutes, and the mainte-
4 nance of health programs in the field as authorized by the
5 Act of August 8, 1946 (Public Law 658), ~~\$487,000,000~~
6 *\$487,817,600*.

7 Contract station service: For contract station serv-
8 ice, \$3,500,000.

9 Separating mails: For separating mails at fourth-class
10 post offices, \$180,000.

11 Unusual conditions: For unusual conditions at post
12 offices, \$25,000.

13 Clerks, third-class post offices: For compensation to
14 clerks at third-class post offices, \$24,000,000.

15 Miscellaneous items, first- and second-class post offices:
16 For expenses necessary for the operation and protection of
17 post offices of the first and second classes, and the business
18 conducted in connection therewith, not provided for in other
19 appropriations, \$3,600,000.

20 Village delivery service: For village delivery service in
21 towns and villages having post offices of the second or third
22 class, and in communities adjacent to cities having city
23 delivery, \$300,000.

24 Detroit River service: For Detroit River postal service,
25 \$12,750.

1 Carfare and bicycle allowance: For carfare and bicycle
 2 allowance, including special-delivery carfare, cost of trans-
 3 porting carriers by privately owned automobiles to and from
 4 their routes, at rates not exceeding regular streetcar or bus
 5 fare, and purchase, maintenance, and exchange of bicycles,
 6 ~~\$1,700,000~~ \$1,900,000.

7 City delivery carriers: For pay of letter carriers, City
 8 Delivery Service, and United States Official Mail and Mes-
 9 senger Service, \$295,300,000.

10 Special-delivery compensation and fees: For compensa-
 11 tion and fees to special-delivery messengers, \$14,000,000.

12 Rural Delivery Service: For pay of rural carriers,
 13 auxiliary carriers, substitutes for rural carriers on annual and
 14 sick leave, clerks in charge of rural stations, tolls and ferriage,
 15 and necessary expenses of the Rural Delivery Service, \$129,-
 16 167,000, of which not less than \$200,000 shall be available
 17 for extensions and new service.

18 OFFICE OF THE SECOND ASSISTANT POSTMASTER GENERAL

19 Star-route service: For inland transportation by star
 20 routes (excepting service in Alaska), including temporary
 21 service to newly established offices, \$22,500,000.

22 Star Route and Air Mail Service, Alaska: For inland
 23 transportation by Star Route and Air Mail Service in Alaska,
 24 \$415,000.

25 Powerboat service: For inland transportation by steam-

1 boat or other powerboat routes, including ship, steamboat,
2 and way letters, \$1,700,000.

3 Railroad transportation and mail messenger service: For
4 inland transportation by railroad routes and for mail mes-
5 senger service, \$145,000,000: *Provided*, That separate ac-
6 counts be kept of the amount expended for mail messenger
7 service.

8 Railway Mail Service: For fifteen general superin-
9 tendents, fifteen assistant general superintendents, two
10 assistant general superintendents at large, one hundred and
11 twenty district superintendents, one hundred and twenty
12 assistant district superintendents, and other employées in
13 the Railway Mail Service, \$104,000,000.

14 Railway postal clerks, travel allowance: For travel
15 allowance to railway postal clerks and substitute railway
16 postal clerks, \$5,000,000.

17 Railway Mail Service, travel expenses: For travel
18 expenses of departmental officials and supervisory employees
19 of the Railway Mail Service, and railway postal clerks,
20 \$55,000.

21 Railway Mail Service, miscellaneous expenses: For
22 necessary expenses of the Railway Mail Service not pro-
23 vided for in other appropriations, \$450,000.

24 Electric-car service: For electric-car service, \$210,000.

25 Foreign mail transportation: For transportation of for-

1 eign mails, except by aircraft, \$9,500,000, including not
2 to exceed \$79,200 to cover the cost to the United States
3 for maintaining sea post service on ocean steamships con-
4 veying mails to and from the United States.

5 Balances due foreign countries: For balances due foreign
6 countries, fiscal year 1948 and prior years, \$3,250,000.

7 Indemnities, international mail: For payment of limited
8 indemnity for the injury or loss of international mail in
9 accordance with convention, treaty, or agreement stipula-
10 tions, fiscal year 1948 and prior years, \$15,000.

11 Foreign air-mail transportation: For transportation of
12 foreign mails by aircraft, as authorized by law, including
13 the transportation of mail by aircraft between Seattle, Wash-
14 ington, and Fairbanks, Alaska, via intermediate points,
15 \$5,500,000.

16 Domestic Air Mail Service: For expenses necessary for
17 the inland transportation of mail by aircraft, as authorized
18 by law, including not to exceed \$173,000 for supervisory
19 officials and clerks at field headquarters, \$37,000,000.

20 OFFICE OF THE THIRD ASSISTANT POSTMASTER GENERAL

21 Manufacture and distribution of stamps and stamped
22 paper: For manufacture and distribution of stamps and
23 stamped paper, and not to exceed \$30,000 for compensa-
24 tion to employees and other necessary expenses of the United
25 States Stamped Envelope Agency, \$7,400,000.

1 Indemnities, domestic mail: For payment of indemnity
2 for the injury or loss of domestic registered, insured, and
3 collect-on-delivery mail, and for failure to remit collect-on-
4 delivery charges, fiscal year 1948 and prior years,
5 \$2,300,000.

6 Unpaid money orders more than one year old: For
7 payment of domestic money orders after one year from the
8 last day of the month of issue of such orders, \$600,000.

9 OFFICE OF THE FOURTH ASSISTANT POSTMASTER GENERAL

10 Post Office stationery, equipment, and supplies: For the
11 purchase, manufacture, repair, and installation of necessary
12 miscellaneous equipment and supplies for the Postal Service
13 not provided for in other appropriations; accident prevention;
14 for the purchase of atlases and geographical and technical
15 works not to exceed \$1,500; and not exceeding \$136,000
16 for personal services, and not to exceed \$51,400 for salaries
17 of fourteen traveling mechanics; for rental of canceling
18 machines and motors, mechanical mail-handling apparatus,
19 and other labor-saving devices; and for travel expenses;
20 \$6,500,000, of which \$250,000 shall be available exclu-
21 sively for the purchase of modern mechanical postal devices:
22 *Provided*, That the Postmaster General may authorize the
23 sale to the public of post-route maps and rural-delivery maps
24 or blueprints at the cost of printing and 10 per centum
25 thereof added.

1 Equipment shops, Washington, District of Columbia:
2 For the purchase, manufacture, and repair of mail bags
3 and other equipment for the postal service not provided
4 for in other appropriations; accident prevention; necessary
5 expenses for the operation, maintenance, and protection of
6 the mail equipment shops building, grounds, and equipment,
7 and a health program for the shops, as authorized by the
8 Act of August 8, 1946 (Public Law 658) ; \$3,200,000, of
9 which not to exceed \$1,223,000 may be expended for
10 personal services in the District of Columbia and not exceed-
11 ing \$15,000 for the purchase of material and the manufacture
12 in the equipment shops of such small quantities of distinctive
13 equipments as may be required by other executive depart-
14 ments; and for services in Alaska, Puerto Rico, Philippine
15 Islands, Hawaii, or other island possessions.

16 Rent, light, power, fuel, and water: For rent, light,
17 power, fuel, and water, for first-, second-, and third-class
18 post offices, and the cost of advertising for lease proposals
19 for such offices, ~~\$13,000,000~~ \$13,457,000.

20 Pneumatic-tube service, New York City and Boston:
21 For rental of not exceeding twenty-eight miles of pneumatic
22 tubes, hire of labor, communication service, electric power,
23 and other expenses for transmission of mail in the city of
24 New York including the Borough of Brooklyn; and for rental
25 of not exceeding two miles of pneumatic tubes, not including

1 labor and power in operating the same, for the transmission
2 of mail in the city of Boston, Massachusetts; \$700,000:
3 *Provided*, That the Acts of April 21, 1902, May 27, 1908,
4 and June 19, 1922 (39 U. S. C. 423), relating to contracts
5 for the transmission of mail by pneumatic tubes or other
6 similar devices shall not be applicable to the city of New
7 York, and the provisions not inconsistent herewith of the
8 Acts of April 21, 1902, and May 27, 1908 (39 U. S. C.
9 423), shall be applicable to the city of Boston.

10 Vehicle service: For the hire, purchase, maintenance,
11 repair, and operation of vehicles for use in the collection,
12 transportation, delivery, and supervision of the mail, includ-
13 ing the repair of vehicles owned by, or under the control of,
14 units of the National Guard and departments and agencies
15 of the Federal Government where repairs are made necessary
16 because of utilization of such vehicles in the Postal Service;
17 the rental of garage facilities; accident prevention; lease of
18 quarters not exceeding a term of ten years for the housing
19 of Government-owned motor vehicles, and including compen-
20 sation to necessary employees in the Motor Vehicle Service,
21 \$36,500,000, of which ~~\$5,400,000~~ \$4,514,000 shall be avail-
22 able exclusively for the purchase of trucks: *Provided*, That
23 the Postmaster General may purchase and maintain from this
24 appropriation such tractors and trailer trucks as may be
25 required in the operation of the vehicle service: *Provided*

1 *further*, That no part of this appropriation shall be expended
2 for maintenance or repair of motor-propelled passenger-
3 carrying vehicles for use in connection with the administra-
4 tive work of the Post Office Department in the District of
5 Columbia.

6 Transportation of equipment and supplies: For the
7 transportation and delivery of equipment, materials, and
8 supplies for the Post Office Department and Postal Service
9 by freight, express, or motor transportation, and other inci-
10 dental expenses, ~~\$500,000~~ \$520,000.

11 PUBLIC BUILDINGS, MAINTENANCE AND OPERATION

12 Operating force: For compensation to employees in the
13 custodial service, \$44,750,000.

14 Operating supplies, public buildings: For neces-
15 sary miscellaneous articles, services and supplies, including
16 transportation thereof, required for the operation of com-
17 pleted and occupied public buildings and grounds operated
18 by the Post Office Department, accident prevention,
19 \$6,750,000, which shall not be available for personal services
20 except for, work done by contract, or for temporary
21 job labor under exigency not exceeding at one time the
22 sum of \$250 at any one building: *Provided*, That the
23 Postmaster General is authorized to contract for telephone
24 service in public buildings under his administration by means
25 of telephone switchboards or equivalent telephone switching

1 equipment jointly serving in each case two or more govern-
2 mental activities, where he determines that joint service is
3 economical and in the interest of the Government, and to
4 secure reimbursement for the cost of such joint service from
5 available appropriations for telephone expenses of the bureaus
6 and offices receiving the same.

7 Furniture, carpets, and safes, public buildings: For the
8 procurement, including transportation, of furniture, carpets,
9 safes, safe and vault protective devices, and repairs of same,
10 for use in public buildings which are now, or may hereafter
11 be, operated by the Post Office Department, \$750,000:
12 *Provided*, That excepting expenditures for labor for or in-
13 cidental to the moving of equipment from or into public
14 buildings, the foregoing appropriation shall not be used for
15 personal services except for work done under contract or for
16 temporary job labor under exigency and not exceeding at
17 one time the sum of \$100 at any one building: *Provided*
18 *further*, That all furniture now owned by the United States
19 in other public buildings or in buildings rented by the United
20 States shall be used, so far as practicable, whether or not it
21 corresponds with the present regulation plan of furniture.

22 Deficiency in postal revenues: If the revenues of the
23 Post Office Department shall be insufficient to meet the
24 appropriations made under title II of this Act, a sum equal
25 to such deficiency in the revenues of such Department is

1 hereby appropriated, to be paid out of any money in the
2 Treasury not otherwise appropriated, to supply such defi-
3 ciency in the revenues of the Post Office Department for the
4 fiscal year ending June 30, 1948, and the sum needed
5 may be advanced to the Post Office Department upon
6 requisition of the Postmaster General.

7 During the fiscal year 1948, the Postmaster Gen-
8 eral shall make quarterly reports to the Senate and
9 House Committees on Appropriations, showing for each
10 quarter the amount paid from each appropriation for over-
11 time, the number of employees receiving such overtime, and
12 the number of hours of overtime worked by such employees,
13 together with a statement as to the necessity for such over-
14 time work.

15 This title may be cited as the "Post Office Department
16 Appropriation Act, 1948".

17 TITLE III—GENERAL PROVISIONS

18 SEC. 301. No part of any appropriation contained in
19 this Act shall be used to pay the salary or wages of any
20 person who engages in a strike against the Government
21 of the United States or who is a member of an organization
22 of Government employees that asserts the right to strike
23 against the Government of the United States, or who advo-
24 cates, or is a member of an organization that advocates,
25 the overthrow of the Government of the United States :

1 by force or violence: *Provided*, That for the purposes hereof
2 an affidavit shall be considered prima facie evidence that
3 the person making the affidavit has not contrary to the
4 provisions of this section engaged in a strike against the
5 Government of the United States, is not a member of an
6 organization of Government employees that asserts the right
7 to strike against the Government of the United States, or
8 that such person does not advocate, and is not a member of
9 an organization that advocates, the overthrow of the Govern-
10 ment of the United States by force or violence: *Provided*
11 *further*, That any person who engages in a strike against
12 the Government of the United States or who is a member
13 of an organization of Government employees that asserts
14 the right to strike against the Government of the United
15 States, or who advocates, or who is a member of an organ-
16 ization that advocates, the overthrow of the Government
17 of the United States by force or violence and accepts
18 employment the salary or wages for which are paid from
19 any appropriation contained in this Act shall be guilty of
20 a felony and, upon conviction, shall be fined not more than
21 \$1,000 or imprisoned for not more than one year, or both:
22 *Provided further*, That the above penalty clause shall be in
23 addition to, and not in substitution for, any other provi-
24 sions of existing law.

1 SEC. 302. This Act may be cited as the "Treasury and
2 Post Office Departments Appropriation Act, 1948".

Passed the House of Representatives March 11, 1947.

Attest:

JOHN ANDREWS,

Clerk.

Calendar No. 201

80TH CONGRESS
1ST SESSION

H. R. 2436

[Report No. 201]

AN ACT

Making appropriations for the Treasury and
Post Office Departments for the fiscal year
ending June 30, 1948, and for other purposes.

MARCH 12 (legislative day, FEBRUARY 19), 1947

Read twice and referred to the Committee on
Appropriations

MAY 26 (legislative day, APRIL 21), 1947

Reported with amendments

2. PERSONNEL. The Armed Services Committee reported with amendment H.R. 1845, to provide for military leave for Federal employees who are members of the Enlisted Reserve Corps (H.Rept. 483) (p. 6182).
3. FLOOD CONTROL. Rep. Bolton, Ohio, discussed loss of food through floods and included a London Sunday Express article on the subject (p. 6182).
Received from the War Department preliminary flood control reports on Greenwich Harbor (Conn.), Rock Hall Harbor (Md.), Gila River (Ariz. and Mo.), and Little Sioux River (Iowa) (H. Docs. 272, 273, 274, 275) (pp. 6181-2).
4. NATIONAL FORESTS. Received a Calif. Legislature memorial opposing H.R. 2876, to create a Redwood National Park and national forest area in Calif. (p. 6182).

SENATE

5. TAXATION. Passed, 52-34, with amendments H.R. 1, the individual income tax-reduction bill (pp. 6068-100). Sens. Millikin, Taft, Butler, George, and Barkley were appointed conferees (p. 6100). House conferees not yet appointed.
6. CORPORATIONS. Received from the Joint Committee on Reduction of Nonessential Federal Expenditures a report on the assets of 20 active wholly-owned Government corporations and their subsidiaries, 1947, showing total assets of \$15,698,089,707. To Appropriations Committee. (p. 6067.)
7. TREASURY-POST OFFICE APPROPRIATION BILL, 1948. Sen. Hayden, Ariz., submitted the minority views of the Appropriations Committee on this bill, H.R. 2436 (S. Rept. 201, pt. 2) (p. 6067).
8. NOMINATION. Confirmed the nomination of Robert A. Lovett to be Under Secretary of State (pp. 6069, 6100).
9. NATIONAL FORESTS. Received a Calif. Legislature resolution opposing H.R. 2876, to create a Redwood National Park and a national forest area in Calif. (p. 6065).
10. HIGHWAYS. Received a Calif. Legislature resolution urging that continued Federal appropriations be made to aid the States in the development of highways (p. 6066).
11. CROP INSURANCE. Received an Okla. Legislature resolution urging that funds be made available to pay the 1946 cotton crop losses of the farmers of Okla. who had Federal crop insurance (p. 6066).

BILLS INTRODUCED

12. WAR POWERS. H.R. 3647, by Rep. Michener, Mich. (by request), to extend certain powers of the President under title III of the Second War Powers Act. To Judiciary Committee. (p. 6182.)
13. DAIRY PRODUCTS. H.R. 3646, by Rep. Johnson, Ill., to provide equitable relief to contractors supplying dairy products to armed forces. To Judiciary Committee. (p. 6182.)
14. HIGHWAYS. H.R. 3660, by Rep. Hand, N.J., to establish a National Superhighway Commission in order to provide for the making of plans and surveys for the construction of a national superhighway system. To Public Works Committee. (p. 6182.)
15. GRAZING LANDS. S. 1359, by Sen. Hatch, N. Mex., providing for the administration by the Bureau of Land Management of certain lands in certain western States, valuable for grazing, acquired by the U.S. under the various relief

and emergency acts. To Public Lands Committee. (p. 6067.)

ITEMS IN APPENDIX

16. FLOOD CONTROL. Rep. Angell, Oreg., inserted David C. Warner's (Ohio Public Works Dept.) statement on flood control and soil conservation needs in Ohio (pp. A2664-5).
17. EXPENDITURES. Extension of remarks of Rep. Springer, Ind., urging reduction in Federal expenditures and inserting an Indianapolis Star editorial on the subject (pp. A2667-8).
18. FOOD SUPPLY. Rep. Macy, N.Y., inserted his recent address on national resources, referring particularly to food supplies and protesting destruction of potato surpluses (pp. A2673-4).
19. INFORMATION. Extension of remarks of Rep. Bryson, S.C., commending the Fruits and Vegetable Market News service (p. A2676).
20. FARM PRICES. Rep. Judd, Minn., inserted Chester D. Tripp's discussion of agricultural prices (pp. A2676-7).
21. WOOL. Sen. Hatch, N.Mex., inserted a Washington Evening Star editorial opposing the House version of the wool bill and relating to some of the problems that confront the wool growers (p. A2658).
22. SMALL BUSINESS. Extension of remarks of Rep. Patman, Tex., commending the RFC program for loans to small business (pp. A2658-9).
23. ST. LAWRENCE WATERWAY. Rep. Butler, N.Y., inserted a Brotherhood of Railway and Steamship Clerks' letter opposing this project (pp. A2665-6).
24. PUBLIC DEBT. Rep. Dirksen, Ill., inserted his statement before the House Ways and Means Committee presenting a plan to reduce the public debt (pp. A2669-72).
25. SUGAR RATIONING. Rep. Rogers, Mass., inserted Harold L. Ickes' article criticizing the sugar-rationing program (pp. A2675-6).
26. HOUSING. Rep. Dirksen, Ill., inserted an analysis by M.D. Bodfish and A. Ferguson of the Taft-Wagner-Ellender housing bill (pp. A2685-6).

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COMMITTEE-HEARINGS ANNOUNCEMENTS for May 29: S. Agriculture, fertilizer bill (Anderson to testify); S. Foreign Relations, St. Lawrence Seaway; S. Small Business, steel hearings; S. Labor and Public Welfare, Taft health bill; H. Agriculture, long-range farm program; H. Banking and Currency, RFC extension; H. Education and Labor, Federal aid to education; H. Expenditures in the Executive Departments, reorganization plans 1 and 2; H. Post Office and Civil Service, bills reported by subcommittees (ex.); H. Public Lands, mining bills (Sieker to testify); H. Rules, Minerals Resources Division; H. Ways and Means, general tax revision.

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For supplemental information and copies of legislative material referred to, call Ext. 4654 or send to Room 113 Adm. Arrangements may be made to be kept advised, routinely, of developments on any particular bill.

Connecticut Woman's Christian Temperance Union. I should like to have it appear that these petitions have been received and that a note has been made of them in the RECORD. I will give to the clerk a notation of the number of the petitions, so that they may be referred to the proper committee. I do not think they should be printed in the RECORD, because they are quite lengthy and would occupy a great deal of space.

The PRESIDENT pro tempore. Without objection, the petitions presented by the Senator from Connecticut will be received and referred to the Committee on Interstate and Foreign Commerce.

REPORT OF A COMMITTEE

The following report of a committee was submitted:

By Mr. MALONE (for Mr. REVERCOMB), from the Committee on Public Works:

H. R. 1412. A bill to grant to the Arthur Alexander Post, No. 68, the American Legion, of Belzoni, Miss., all of the reversionary interest reserved to the United States in lands conveyed to said post pursuant to act of Congress approved June 29, 1938; without amendment (Rept. No. 209).

CONSTITUTION OF THE INTERNATIONAL LABOR ORGANIZATION INSTRUMENT OF AMENDMENT—REPORT OF A COMMITTEE

Mr. THOMAS of Utah. Mr. President, from the Committee on Foreign Relations, I ask unanimous consent to report favorably without amendment the joint resolution (S. J. Res. 117) providing for acceptance by the United States of America of the Constitution of the International Labor Organization Instrument of Amendment, and further authorizing an appropriation for payment of the United States share of the expenses of membership and for expenses of participation by the United States, adopted in Montreal in 1946, and I submit a report (No. 208) thereon.

The annual conference of the International Labor Organization will be held in Geneva, beginning June 19. This report provides for the acceptance on the part of the United States of the amended Constitution of the International Labor Organization. The amended constitution in nowise changes our relationship with the International Labor Organization. I am sure there will be no objection to the acceptance of the amended constitution. Therefore, Mr. President, at the first opportunity I shall ask for the consideration of the joint resolution and accompanying report.

The PRESIDENT pro tempore. Without objection, the report will be received, and the joint resolution will be placed on the calendar.

REPORT OF JOINT COMMITTEE ON REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES, RELATING TO ASSETS OF WHOLLY OWNED FEDERAL GOVERNMENT CORPORATIONS

Mr. BYRD. Mr. President, following conversation earlier in the current session of Congress between the chairman of the Subcommittee on Appropriations for Government Corporations, Mr. FERGUSON, and myself, the staff of the Joint Committee on Reduction of Non-

essential Federal Expenditures was requested by the senior Senator from Virginia to compile the assets of the corporations which are wholly owned and operated by the Federal Government.

This compilation has been made, and it reveals that the Federal Government's wholly owned and operated corporations are holding assets totaling more than \$15,500,000,000.

While this study is somewhat in the nature of a follow-up to the Corporation Control Act of 1945, which was sponsored by the Joint Committee on Reduction of Nonesential Federal Expenditures, it actually was undertaken with a view to the necessity for retrenchment in all phases of Federal activity. The study was designed primarily to develop information from which appropriate committees of Congress might determine whether these corporate agencies are holding assets which might be liquidated and the proceeds applied to the costs of Government.

Exclusive of Government corporations of mixed ownership, and those in liquidation, the assets of 20 active wholly owned corporations, and their subsidiaries, total \$15,698,089,707. These assets, largely in terms of book value, may be summarized as follows:

| | |
|---|-----------------|
| Cash on hand, in banks and on deposit..... | \$1,250,935,984 |
| Accounts receivable..... | 499,792,291 |
| Loans receivable..... | 3,719,370,798 |
| Deferred charges..... | 39,266,137 |
| Real property..... | 3,095,267,469 |
| Plant and operating equipment..... | 5,206,769,133 |
| Furniture and fixtures..... | 81,172 |
| Inventories of goods and commodities on hand..... | 1,378,209,602 |
| Investments..... | 486,673,013 |
| Miscellaneous assets..... | 21,724,108 |
| Total assets..... | 15,698,089,707 |

The study under discussion was confined entirely to assets, but for the information of the Senate, the President's budget for the fiscal year 1948, estimates liabilities of the corporations at \$14,161,000,000.

In view of the interest in this matter, which has been indicated by the chairman of the Senate Subcommittee on Appropriations for Government Corporations I submit a draft of a report on Assets of Wholly Owned Federal Government Corporations, Fiscal Year 1947 to the Senate and request that it be referred to the Senate Appropriations Committee for its information and use if desired. If more detail should be required, the entire file of information on which this report is based is available to the Appropriations Committees of the Congress.

The PRESIDENT pro tempore. Without objection, the report will be received, referred to the Committee on Appropriations, and will be printed.

TREASURY AND POST OFFICE DEPARTMENTS APPROPRIATIONS, 1948—MINORITY VIEWS (PT. 2 OF S. REPT. NO. 201)

Mr. HAYDEN submitted the views of the minority of the Committee on Appropriations on the bill (H. R. 2436), making appropriations for the Treasury and Post Office Departments for the fiscal

year ending June 30, 1948, and for other purposes, which were ordered to be printed.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. BUCK, from the Committee on the District of Columbia:

Charles A. Robinson, of the District of Columbia, to be a member of the District of Columbia Redevelopment Land Agency for the unexpired term of 3 years from March 4, 1947.

By Mr. TAFT, from the Committee on Labor and Public Welfare:

Hugh L. C. Wilkerson, and sundry other candidates for promotions in the Regular Corps of the Public Health Service;

Kenneth W. Chapman and Elmer J. Herlinger for promotions in the Regular Corps of the Public Health Service;

Charles P. White, and sundry other candidates for appointments and promotions in the Regular Corps of the Public Health Service; and

Henry C. Schumacher, and sundry other candidates for appointments in the Regular Corps of the Public Health Service.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LODGE (for himself and Mr. McGRATH):

S. 1356. A bill providing for the incorporation of the Franco-American War Veterans; to the Committee on the Judiciary.

By Mr. CAPPER:

S. 1357. A bill for the relief of Miss Ida L. Rollins; to the Committee on the Judiciary.

(Mr. O'CONOR introduced Senate bill 1358, to extend for 1 year the time within which application may be made for benefits under the Armed Forces Leave Act of 1946, which was referred to the Committee on Armed Services, and appears under a separate heading.)

By Mr. HATCH:

S. 1359. A bill providing for the administration by the Bureau of Land Management under the act of June 28, 1934 (48 Stat. 1269) of certain lands in certain western States, valuable for grazing, acquired by the United States under various relief and emergency acts; to the Committee on Public Lands.

By Mr. WHERRY:

S. 1360. A bill for the relief of Eric Sedona; to the Committee on the Judiciary.

By Mr. MCCARTHY:

S. 1361. A bill to amend the United States Housing Act of 1937 so as to permit capital grants for low-rent-housing and slum-clearance projects where construction costs exceed present cost limitations upon condition that local housing agencies pay the difference between cost limitations and the actual construction costs; to the Committee on Banking and Currency.

VETERANS' TERMINAL-LEAVE PAY

Mr. O'CONOR. Mr. President, I ask unanimous consent to introduce for appropriate reference and printing in the RECORD a bill. I also ask unanimous consent to present for printing in the RECORD an explanatory statement I have prepared relative to the desirability of extending the time within which veterans of the armed services may apply for terminal-leave pay.

The PRESIDENT pro tempore. Without objection, the bill will be received

and appropriately referred, and, without objection, the bill and statement will be printed in the RECORD.

There being no objection, the bill (S. 1358), to extend for 1 year the time within which application may be made for benefits under the Armed Forces Leave Act of 1946, introduced by Mr. O'CONOR, was received, referred to the Committee on Armed Services, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That section 5 of the Armed Forces Leave Act of 1946 is amended by striking out "September 1, 1947" wherever it appears in such section and inserting in lieu thereof "September 1, 1948."

The statement presented by Mr. O'CONOR was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR HERBERT R. O'CONOR

One point on which I am confident every Member of the Senate of the United States will be in full accord, is the desire to see that the veterans of our country have full opportunity to avail themselves of all the benefits which their grateful country has provided for them. One of these benefits which has unquestionably been of outstanding assistance to thousands of men and women as they resume their civilian careers, has been their terminal-leave pay, the primary purpose and function of which were to tide over the period of their reentry into gainful occupation.

The purpose of this bill, as of course every Senator understands, is to provide financial remuneration to all members of the services who did not enjoy the full amount of leave to which their length of service entitled them.

In many cases this was because the men were constantly on duty in the field where there was little or no opportunity to secure leave.

Under Public Law 704 of the Seventy-ninth Congress, section 5, it is provided that enlisted members of the armed forces, discharged prior to September 1, 1946, and former enlisted members of the armed forces, discharged prior to the date of enactment of this act, shall be entitled to be compensated for such days of leave to which they were entitled but which were not granted them. Provision is made in the act that if application is made to the Secretary of War not later than September 1, 1947, he shall be paid the amount to which he shall be entitled.

My investigation and inquiries have shown me that a large number of former service people have not, up to this time, made application for the pay due them.

On checking with the various services I am advised that the following situation exists:

Army estimates are that approximately 1,000,000 veterans have not applied. Of this number, we are further advised, at least 300,000, who will have sizable amounts due them, will not have made application by September 1, of this year.

With regard to the Navy, advices are that some 300,000 former Navy personnel have not as yet applied for their terminal-leave pay. In addition to these, some 13,000 applicants who have filed have not received their terminal-leave pay because their applications have been improperly filed out or the return addresses are incorrect.

The figures quoted for the Navy include the eligibles in the United States Marine Corps but do not include some 100,000 veterans of the Coast Guard who have not made application and who sooner or later might be expected to want the benefits of this law.

Inasmuch as the Congress is expected to adjourn before the expiration date, September 1, 1947, and in order to protect the interest of those men and women who, for one reason or another, will not have filed their applications for terminal-leave pay, I have prepared a bill, which I will submit herewith, to extend the period for filing terminal-leave pay applications until September 1, 1948.

EXTENSION OF TIME FOR PUBLIC LANDS COMMITTEE TO MAKE REPORT ON STUDIES AND INVESTIGATIONS

Mr. BUTLER. Mr. President, the Committee on Public Lands finds it necessary to ask for a short extension of time within which to make a final report on Senate Resolution 315. We are asking for an extension to June 15, 1947. It means no additional expense. The time is necessary in order to prepare the report.

Therefore I ask unanimous consent to submit a resolution and request its immediate consideration.

There being no objection, the resolution (S. Res. 118) was read, considered by unanimous consent, and agreed to, as follows:

Resolved, That the authority granted to the Committee on Public Lands and Surveys under Senate Resolution 315, Seventy-ninth Congress, agreed to July 30, 1946, relating to studies and investigations of matters referred to such committee as heretofore extended, is hereby further extended to June 15, 1947, for the purpose of allowing additional time in which to make a report to the Congress.

RECLASSIFICATION OF CERTAIN SALARIES IN THE POSTAL SERVICE—AMENDMENT

Mr. BALDWIN submitted an amendment intended to be proposed by him to the bill (S. 808) to amend the act entitled "An act to reclassify the salaries of postmasters, officers, and employees of the postal service; to establish uniform procedures for computing compensation; and for other purposes," approved July 6, 1945, which was referred to the Committee on Civil Service and ordered to be printed.

ADDRESS BY SENATOR CHAVEZ BEFORE SOCIETY OF NATIVES OF THE DISTRICT OF COLUMBIA

[Mr. CHAVEZ asked and obtained leave to have printed in the RECORD an address delivered by him before the Society of Natives of the District of Columbia, which appears in the Appendix.]

OUR STAKE IN GERMAN ECONOMIC RECOVERY—ADDRESS BY M. S. SZYMCAK

[Mr. VANDENBERG asked and obtained leave to have printed in the RECORD an address entitled "Our Stake in German Economic Recovery," delivered by Hon. M. S. Szymczak before the Economic Club of Detroit, Mich., on May 19, 1947, which will appear hereafter in the Appendix.]

ADDRESS BY EDWARD KEATING BEFORE COLORADO MINING ASSOCIATION

[Mr. McCARRAN asked and obtained leave to have printed in the RECORD an address entitled "Have We a 'Labor Problem'?" delivered by Edward Keating, editor of Labor at the annual meeting of the Colorado Mining Association, at Denver, Colo., on February 8, 1947, which appears in the Appendix.]

WOOL AND RECIPROCITY—EDITORIAL FROM THE WASHINGTON EVENING STAR

[Mr. HATCH asked and obtained leave to have printed in the RECORD an editorial entitled "Wool and Reciprocity," published in the Washington Evening Star for May 27, 1947, which appears in the Appendix.]

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. BUCK. Mr. President, I ask unanimous consent that the Committee on the District of Columbia may meet at this time.

The PRESIDENT pro tempore. Without objection, the order is made.

Mr. WHITE. Mr. President, I ask unanimous consent that the Committee on Labor and Public Welfare or a subcommittee thereof be privileged to sit this afternoon during the session of the Senate.

The PRESIDENT pro tempore. Without objection, the order is made.

REDUCTION OF INDIVIDUAL INCOME-TAX PAYMENTS

The Senate resumed the consideration of the bill (H. R. 1), to reduce individual income-tax payments.

The PRESIDENT pro tempore. The question is on the amendment offered by the Senator from Arkansas [Mr. McCLELLAN] to House bill 1.

Mr. MILLIKIN. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

| | | |
|-----------|-----------------|-----------------|
| Alken | Gurney | Murray |
| Baldwin | Hatch | O'Connor |
| Ball | Hawkes | O'Daniel |
| Barkley | Hayden | Pepper |
| Brewster | Hickenlooper | Reed |
| Bricker | Hill | Revercomb |
| Bridges | Hoey | Robertson, Va. |
| Brooks | Holland | Robertson, Wyo. |
| Buck | Ives | Russell |
| Bushfield | Jenner | Saltontstall |
| Butler | Johnson, Colo. | Smith |
| Cain | Johnston, S. C. | Sparkman |
| Capehart | Kem | Taft |
| Capper | Knowland | Taylor |
| Chavez | Langer | Thomas, Okla. |
| Connally | Lodge | Thomas, Utah |
| Cooper | Lucas | Thye |
| Cordon | McCarran | Tydings |
| Donnell | McCarthy | Umstead |
| Downey | McClellan | Vandenberg |
| Dworthak | McFarland | Watkins |
| Eastland | McMahon | Wherry |
| Eaton | Magnuson | White |
| Ellender | Malone | Wiley |
| Ferguson | Martin | Williams |
| Flanders | Maybank | Willson |
| Fulbright | Millikin | Young |
| George | Moore | |
| Green | Morse | |

Mr. WHERRY. I announce that the Senator from New Hampshire [Mr. TOBEY] is absent because of illness in his family.

Mr. LUCAS. I announce that the Senator from Virginia [Mr. BYRD] is absent on official business.

The Senator from West Virginia [Mr. KILGORE], the Senator from Rhode Island [Mr. McGRATH], the Senator from Pennsylvania [Mr. MYERS], and the Senator from Tennessee [Mr. STEWART] are detained on public business.

The Senator from Tennessee [Mr. McKELLAR], the Senator from Wyoming

TREASURY AND POST OFFICE DEPARTMENTS
APPROPRIATIONS BILL, FISCAL YEAR 1948

MAY 28 (legislative day, APRIL 21), 1947.—Ordered to be printed

Mr. HAYDEN, from the Committee on Appropriations, submitted
the following

MINORITY VIEWS

[To accompany H. R. 2436]

The undersigned heartily concur in the several recommendations to increase appropriations contained in the committee report because such increases, as a whole, will have the effect of recovering 20 times as much money in additional revenues, which would otherwise be lost to the Treasury. The Treasury and Post Office Departments are the two great revenue-producing agencies of the Government and, if properly sustained, can produce greater revenues and at the same time give greater service to the public. We believe that, for these same two reasons, it would be wise and in the interest of over-all economy to grant additional sums to each of these Departments for other phases of their work.

BUREAU OF INTERNAL REVENUE

With particular regard to the Bureau of Internal Revenue we are convinced that an appropriation above the budget estimate will pay handsome dividends. This conviction is based upon actual experience. During the fiscal year ending June 30, 1946, Congress made deficiency appropriations amounting to \$32,650,000 which enabled the Bureau to employ about 5,000 additional deputy collectors and revenue agents. During the present fiscal year about 2,500 more have been put to work and, in a letter to Senator Cordon, printed in the hearings, the Secretary of the Treasury estimates that if the approximately 27,000 men now assigned to that duty are retained they will bring into the Treasury 2½ billion dollars in taxes which otherwise would not be collected.

In his testimony before the Senate committee on page 22, Mr. A. L. M. Wiggins, the Under Secretary of the Treasury and a former

president of the American Bankers Association, demonstrated how increasing this personnel has increased the Federal revenues:

I do not make this statement lightly. Let me give you some figures. During the fiscal year 1944, with an average of 16,163 enforcement officers, the Bureau collected \$814,312,825 which would not otherwise have been paid. During the fiscal year 1945 an average of 19,344 enforcement officers collected \$1,088,916,075. During the fiscal year 1946 an average of 24,411 enforcement officers, about 5,000 of whom were newly recruited and had not developed to the point of maximum efficiency, collected \$1,478,949,000.

During the first 7 months of this fiscal year, to January 31, 1947, an average of 26,968 enforcement officers, many of whom were still in the training period, collected \$1,128,000,000 which likewise would not have been paid. This is at an annual rate of roughly \$2,000,000,000.

ESTIMATED 1948 INCOME FROM ENFORCEMENT OFFICERS

In 1948, we estimated an income of \$2,500,000,000 from our enforcement efforts. The estimate is a conservative one and it was based on the assumption that the number of enforcement officers employed during 1948 would be the same as we have at present and on the further assumption that by virtue of one additional year of training these men would be even more productive.

Moreover, the class of tax cases on which they would be working during 1948 would be chiefly the high income and high tax rate years of 1944 and 1945, which will be more productive than those of previous years.

During his appearance at the hearings, the very able Commissioner of Internal Revenue, Mr. Joseph D. Nunan, Jr., stated (p. 229) that the proposed tax-reduction bill now under consideration in the Senate—

is going to cause a great many more refunds than now, and, if anything, it should increase our personnel rather than to decrease it.

* * * There is no decrease in the number of taxpayers or returns to be filed under the present bill, so that our staff, which is now undermanned, will certainly be undermanned under the new bill.

At pages 235-236, the Commissioner said:

I can also demonstrate that there are today thousands of profitable tax cases that we have to put back into the files untouched because the present enforcement group is simply not large enough in number to handle them. * * *

I made the following statement to the House committee: (1) That our enforcement group would produce 2.5 billion dollars in 1948 over and above that which would be voluntarily paid; and (2) that we would provide a return of \$20 for each \$1 expended in enforcement. Since the House cut became known I have stated, in answer to questions put to me, that we would lose some \$600,000,000 in revenue due to the \$30,000,000 cut.

In the belief that the representations made by responsible Treasury officials are true, the committee has restored \$25,000,000 of the reduction of \$30,000,000 made by the House of Representatives in the appropriation asked for by the Bureau of Internal Revenue. We think that the full Budget estimate of \$208,000,000 should not only be granted but increased. That conclusion is fortified by a written statement filed by Messrs. Robert N. Miller, H. C. Kilpatrick and W. A. Sutherland, well-known attorneys engaged in Federal tax practice, all of whom are members of the standing committee on Federal taxation of the American Bar Association. The following is taken from their statement printed on page 270 of the hearings:

Since the present \$208,000,000 budget contemplates what seems to us a dangerously inadequate coverage of investigations, it is our hope that the committee will not only keep in the budget every dollar which has been asked for, but that the Joint Committee on Internal Revenue will be directed to study the enforcement problem which confronts the Bureau and to determine whether there

should not be an increase in the enforcement activities of the Bureau to the extent that its training facilities will permit it to assimilate new personnel.

It is apparent from the above figures that the personnel suggested is inadequate to the present task of the Bureau and that instead of reducing the budget by \$30,000,000 and personnel by some 7,000 persons, at least 10,000 more persons could be advantageously and economically employed, if so many trained personnel were available, with an increased appropriation of at least \$40,000,000 or \$50,000,000.

It might be impossible effectively to train so large a group at once, but the need is clear and the force should be limited below the effective minimum, if at all, by the training facilities available and not by considerations of cost. It would certainly be a great disservice to the immediate revenue and to the future integrity of our income-tax system to cut the personnel below the number now proposed.

In his personal appearance before the subcommittee Mr. Miller said at pages 274-277:

We feel, that while it is very necessary and very profitable to go after the real fraud cases—and there is easily \$1,500,000,000 in this backlog—a greater amount of money is really involved in the nonfraud cases.

Now those nonfraud cases do get barred in 3 years unless there is a waiver, and for very good reasons a vast number of these cases are not held open until the Government gets around to looking at them.

It is my own conviction as well as my associates' here, that in case of corporate taxes especially, where the problems involved are numerous, a taxpayer might well have decided that he will stay in the twilight zone waiting to have the questions raised. There are tremendous cases without fraud in them, that have been set up by the ablest and most honest of accountants that are still just full of questions, some of them involving a million dollars or so, that deserve to be ironed out.

The dangerous thing about those is that they do get barred unless they are discovered and that is the reason for going in now, solely because of the gradual fading away of this tremendous asset. * * *

ADDITIONAL REVENUE COULD BE OBTAINED BY INCREASING APPROPRIATION

Senator HAYDEN. Do I understand you to say that it would be good business on the part of the Government, instead of making a deduction of \$30,000,000, to add \$30,000,000 to this bill?

Mr. MILLER. We believe that would be true. It is our settled conviction. We think that the current practice of spot-checking returns is entirely inadequate to keep the taxpayers in sufficient fear of discovery. Just as a company builds up good will by advertising and loses it if they do not keep the advertising going, we must keep going to preserve a rather remarkable past habit of the American public of tax compliance. It is a wonderful asset of this country and just as different as anything from France, which I mentioned before.

IMPORTANCE OF MAINTAINING TAX COMPLIANCE

Noncompliance busted France. They never could get the taxpayers to let the investigators start. You could not convict anybody because everybody was doing it. Public opinion was against the collections of taxes.

Now we are wonderfully lucky. I made a study of compliance in 1938 which is published in the report of the Bar Association. It is a very precious thing this country has, and we just cannot afford to lose it.

Senator CORDON. It is your view, I take it, that it would be on the part of good judgment to maintain a sufficient force to induce tax compliance rather than later to have to put on perhaps a greater force to prosecute tax law violations?

Mr. MILLER. That is right. Further, if we waited we would not get the cash, because in a very large number of fraud cases, the money—and the money in those cases is just as good as any other money—disappears.

Then there are the really big cases involving difficult questions. In the great big returns where these marginal questions come up, the tax may depend on a problem of valuation. Anybody who touches valuations of railroads or anything else knows that the twilight zones are horribly wide and the degree of judgment employable is immense.

Senator KNOWLAND. Your theory is that the return on the Government's investment would be much greater now?

Mr. MILLER. Yes; and particularly while these last 3 or 4 years of high taxes are still fresh and subject to investigation.

Also, there is the other one involving the people who play fast and loose with taxation. They are the ones who go busted in a few years. They may owe \$5,000,000 or \$10,000,000 in taxes. We used to find that they were the very fellows who did not have it, when we came around to collect a few years later. It was a kind of a practical statute of limitation for crooks to go busted in some way other than the legal limitation.

We are highly impressed by the suggestion made by Messrs. Miller, Kilpatrick & Sutherland, that the Joint Committee on Internal Revenue be directed to study the enforcement problem which now confronts the Bureau of Internal Revenue, with a view to determining how many additional deputy collectors and revenue agents could be employed with profit to the Government. That committee, with its efficient staff, should be able to make a prompt recommendation to Congress so that deficiency appropriations can be made before the present session ends in July. What was done in 1946 to increase the number of enforcement officers, can be repeated in 1947 with equally beneficial results.

A practically certain return of \$20 for \$1 on an investment is marvelous. Any businessman who was sure that he could recover 10 for 1, or 5 for 1, or even 2 for 1 would not hesitate to advance all the funds needed to accomplish such results even though he had to borrow money to do it. The testimony before the Senate and House Committees on Appropriations is clear and definite that there are very large amounts of money due to the United States in unpaid taxes and that if what is due is not collected this great asset will fade away due to the operation of the 3-year limitation fixed by law. Every dollar that can be collected now is needed to reduce the national debt and to assist in balancing the Budget. Congress should not let this opportunity pass by practicing false and foolish economy.

CUSTOMS SERVICE

We commend the increase of \$1,500,000 recommended by the Senate committee in the appropriations for the customs service as a step in the right direction, but the step is not long enough since it leaves that service with working funds only about equal to the sums available during the present fiscal year. This does not take into consideration that the present personnel of the Bureau is inadequate to give proper care to the constant increase in international trade and travel which has naturally followed the cessation of hostilities, and of which a still greater expansion may be reasonably expected.

The prospects are that because of increased smuggling and avoidance of the tariff laws the Treasury will lose much more than the saving of \$2,000,000 below the Budget estimates which is proposed by the Senate committee. The commercial interests of the Nation will also suffer because of delays in the customs clearance of merchandise, not to speak of the inconveniences which will be experienced by returning travelers whose baggage must be inspected at the seaports and airports. We do not hesitate to predict that the complaints from both sources will be so general that Congress will be compelled to

make deficiency appropriations for the customs service during the next fiscal year. It would be better to make these increased appropriations now.

Just because some employees in the Customs Service were foolish enough to believe that by inspiring a flood of letters and telegrams they could influence Congress to save their jobs is no reason why the Government should be deprived of much-needed revenue or that the public should be punished by lack of adequate service. Congress should be guided, not by resentment, but by sound business sense.

"PHONY" ECONOMY

There can be no doubt that the sums of money provided in the bill will be insufficient to carry on a number of functions which the Treasury and Post Office Departments are required by law to perform. The most glaring example is the reduction of \$800,000,000 in the Budget estimate of \$2,031,000,000 required for refunding internal revenue collections. It is certain that during the fiscal year ending June 30, 1948, additional money must be appropriated by Congress to meet the repayments which will accrue.

It is also highly improbable that the several sums aggregating \$16,500,000 which are made available for the refund of money erroneously collected, the payment of certified claims, and for customs refunds and draw-backs, will be sufficient to meet the actual requirements. The total amount carried in the bill is \$3,200,000 less than the sum which the Bureau of the Budget estimated would be needed to meet firm obligations of the Government over which the Treasury Department has no control. We believe that the guess made by the House and Senate Committees on Appropriations is too low and that it would be better to make these appropriations now.

THE POST OFFICE DEPARTMENT

We are also convinced that both committees have underestimated the amount of money that must be provided to sustain certain essential activities of the Post Office Department. The Public demand for better city and rural delivery service is so insistent that some part of the reduction of \$538,000 below the sums recommended in the President's budget will have to be restored by deficiency appropriations made early in 1948.

The bill as it stands reduces by \$240,000 the money made available to pay indemnities for the injury or loss of registered, insured or collect-on-delivery mail, which is an absolute obligation of the Government, and decreases by \$520,000 the money to redeem unpaid money orders over 1 year old, which is also an absolute obligation of the Government. The hearings show that each of these cuts, like a number of others, is "phony" and will not result in an actual saving of such sums to the Treasury. As in the case of the customhouse and other refunds, unless Congress makes deficiency appropriations in ample time many people will be deprived of money due them and which they are entitled to receive without delay.

Altogether it is entirely probable that Congress will have to appropriate sums which, including the \$800,000,000 additional normally

provided and needed for lawful tax refunds, will approach a billion dollars, and which should have been included in this appropriation bill.

CARL HAYDEN.

MILLARD E. TYDINGS.

THEODORE FRANCIS GREEN.

ELMER THOMAS.

RICHARD B. RUSSELL.

PAT McCARRAN.

JOSEPH C. O'MAHONEY.

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DIGEST OF
CONGRESSIONAL PROCEEDINGS
OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
Division of Legislative Reports
(For Department staff only)

Issued June 3, 1947
For actions of June 2, 1947
80th-1st, No. 103

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HIGHLIGHTS: House received appropriation estimate for foot-and-mouth disease. House passed over bill to extend reclamation laws to Ark. Rep. Rogers urged elimination of sugar controls. House committee reported resolution to disapprove reorganization plan which authorizes Labor Department to coordinate enforcement of public-contracts laws. House committee reported bill to protect forests from insects and diseases. House received appropriation estimate for foreign relief. Rep. Riehlman urged use of surplus potatoes by private industry for flour, etc. Rep. Boykin supported increased REA funds. Rep. Kunkel introduced bill to provide sugar for home canning. Senate passed bill to continue rent control with amendment making \$10,000,000 additional available for access roads to standing timber.

HOUSE

- 1. FORESTRY; INSECTS, DISEASES.** The Agriculture Committee reported without amendment H. R. 1974, to provide for protection of forests against destructive insects and diseases (H. Rept. 501)(p. 6372). A similar bill, S. 597, has passed the Senate.
- 2. FOREIGN RELIEF.** Received from the President a supplemental appropriation estimate of \$350,000,000 for relief assistance to war-devastated countries (H. Doc. 284); to Appropriations Committee (p. 6372).
- 3. FLOUR INDUSTRY.** Received from the Federal Trade Commission a report, "Growth and Concentration in the Flour Industry" (H. Doc. 282); to Interstate and Foreign Commerce Committee (p. 6372).
- 4. RECLAMATION.** Passed as reported H. R. 1556, to provide basic authority for the performance of certain functions of the Bureau of Reclamation (pp. 6334-6). (The Congressional Record implies, but does not specifically state, that this bill was passed; the Daily Digest states that it was passed.)
- 5. PUBLIC LANDS.** Passed without amendment S. 583, authorizing the Interior Department to exchange Silver Creek recreational demonstration project lands for other lands, to consolidate Federal holdings in this area. A similar bill, H. R. 1831, was laid on the table. (p. 6339.)
- 6. RECLAMATION.** Passed as reported H. R. 3143, to authorize construction, operation, and maintenance of the Paonia Federal reclamation project, Colo. (pp. 6339-40).
- 7. PUBLIC LANDS.** Passed without amendment H. R. 195, to authorize this Department to sell to Sitka, Alaska, at its appraised value, a 1.3-acre tract formerly used as a site for research and weather service (p. 6341).

8. TAXATION. Agreed, 220-99, to the conference report on H. R. 1, the tax-reduction bill (pp. 6350-8). The Senate has not yet acted on the report.
9. EXPORT-IMPORT BANK. Passed without amendment S. 993, to provide for reincorporation of the Export-Import Bank of Washington and to continue its functions until June 30, 1953. Rejected an amendment by Rep. Smith, Ohio, to limit its life to 1949, by a 3-33 vote. (pp. 6362-6.)
10. REORGANIZATION. The Expenditures in the Executive Departments Committee reported without amendment H. Con. Res. 49, to disapprove Reorganization Plan 2 of May 1, 1947 (H. Rept. 499) (p. 6372). This Plan authorizes the Secretary of Labor to coordinate the administration of the acts for regulation of wages and hours on Federal public works by establishing such standards, regulations, and procedures to govern the enforcement efforts of the contracting agencies, and by making such investigations as may be necessary to assure consistent enforcement. It also provides for administration of the Fair Labor Standards Act subject to the direction and control of the Secretary of Labor, and transfers the U. S. Employment Service from the Federal Security Agency to the Labor Department.
11. SUGAR CONTROLS. Rep. Rogers, Mass., spoke in favor of elimination of sugar controls, claiming that sugar "is flowing out of the windows and the doors and everything else" (pp. 6367-8).
12. APPROPRIATIONS. Received from the President a supplemental appropriation estimate of \$65,000,000 additional for cooperation with Mexico in combatting foot-and-mouth disease (H. Doc. 283) to Appropriations Committee (p. 6372).
13. RECLAMATION. On objection of Rep. Allen, La., passed over H. R. 1274, to extend the reclamation laws to Ark. (p. 6344).
14. FORESTRY. On objection of Rep. Colmer, Miss., passed over H. R. 1826, making it a petty offense to enter any national-forest land while it is closed to the public (p. 6341).
15. PERSONNEL. At the request of Rep. Cole, N. Y., passed over H. R. 966, to make it mandatory for an administrative officer to take corrective action recommended by the Civil Service Commission in the case of appeals made by veterans' preference eligibles because of discharge, suspension, denotion, etc. (p. 6337).

SENATE

16. HOUSING: ROADS. Passed with amendments H.R. 3203, to continue rent controls (pp. 6278-98). Agreed to amendments by Sens. Cordon and McClellan making \$10,000,000 additional available for access roads to standing timber and excluding from controls construction in connection with State and county fairs and agricultural expositions (pp. 6285-91). Sens. Buck, McCarthy, Cain, Fulbright, and Taylor were appointed conferees (p. 6298). House conferees have not yet been appointed. The bill as passed by the House would return to the Treasury any Housing Expediter funds allocated but not yet expended or committed for access roads to timber.
17. TREASURY-POST OFFICE APPROPRIATION BILL, 1948. Passed with amendments this bill, H.R. 2436 (pp. 6298-302). Senate conferees were appointed (p. 6302). House conferees have not yet been appointed.

A short time ago I read the large number of provisions which are repealed thereby.

What I wish to ask is this: Is there any way, formal or informal, by which the Senate may be polled on those 8 or 10 or a dozen items which are so incontinently and abruptly repealed, so far as we are concerned, so that our formal or informal votes on them may be a guide to the Senate conferees in the conference? We manifestly cannot rewrite the bill on the floor.

The PRESIDENT pro tempore. What is the Senator's request?

Mr. FLANDERS. I am asking the President of the Senate whether there is any formal or informal way by which we can instruct the Senate conferees on the 10 or a dozen provisions of law which are repealed? It seems to be obvious that we cannot rewrite the bill with reference to them.

The PRESIDENT pro tempore. The Chair knows of no way that the Senate can express itself except by voting on direct amendments. Any of the text of title I which is not amended will not be in conference, because it will be the same text in both the House and Senate bills.

Mr. FLANDERS. I accept the judgment of the Chair on that point. I think however, there ought to be some way by which we could avoid being forced into the predicament in which we find ourselves, and I suggest that the elder statesmen consider whether ways cannot be devised by which the Senate will not be driven into a corner by the other House.

Mr. KILGORE. Mr. President, I move that the Senate reconsider the vote by which title II of the House bill was amended by the substitution of the text of Senate bill 1017, as amended.

I may say, Mr. President, for the benefit of Senators present that the purpose of the motion is to get into position to ask to strike from the substituted text one certain amendment.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from West Virginia [Mr. KILGORE] to reconsider the substitution of the Senate bill as amended, for title II of the House bill.

Mr. TAFT. Mr. President, the Senate has already perfected its own bill. Action on the bill was completed. It was then substituted for title II of the House bill. It seems to me that that is beyond the scope of the present discussion. I am not making any point of order. The Senate bill was an amendment to the House bill, which amendment has already been adopted. It seems to me that if we are ever to get through with this legislation we cannot go back and reconsider amendments for the purpose of offering other amendments, and perhaps substituting something else. Action on the Senate bill was completed, and it seems to me that it ought to be left as it was completed, without further consideration.

Mr. KILGORE. Action on the Senate bill was completed, and it was substituted for title II of the House bill. I may say

that action was completed while a great number of Senators were absent from the Chamber, during a period of time when many of us normally make engagements to go to our home States to deliver addresses in memory of the deceased of our many wars. That was when the bill was amended. It seems to me that it is only fair to some of us to give us an opportunity to vote on some of these questions, and that any move to block such opportunity is merely a motion in the direction of a gag rule.

Mr. BUCK. Mr. President, will the Senator yield?

Mr. KILGORE. I yield.

Mr. BUCK. The bill was taken up Thursday at the special request of the minority leader.

Mr. KILGORE. Let me say to the Senator from Delaware that it was necessary for some of us to leave before Thursday. We do not live so close to the city of Washington as does the Senator from Delaware.

Mr. BUCK. But the Senator implied that the majority had tried to put the bill across.

Mr. KILGORE. I am not making any such implication. I am saying that the action was taken by a group of Senators in the absence of a great many other Senators. I should like to have an opportunity for the majority of the Senate to pass upon it.

Mr. HAWKES. Mr. President, will the Senator yield?

Mr. KILGORE. I yield.

Mr. HAWKES. The vote on the particular amendment to which the Senator refers was 48 to 26. Forty-eight is an even half of the total number of Senators. The total vote—74—is a very substantial vote in the United States Senate, when compared with the votes on other legislation.

Mr. KILGORE. Let me say that the amendment at which I am particularly striking is the amendment offered by the Senator from New Jersey, which provides that a man who is in a position to contract for a year may take a 15-percent increase and have his lease renewed. That is one thing which I think is most unfair in a rent-control bill.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from West Virginia [Mr. KILGORE].

Mr. TAFT. Mr. President, there is no possible way by which the Senate can complete its work and make allowance for Senators being absent on certain days. We cannot possibly complete our work unless we meet on every day which is available to the Senate—Mondays, Tuesdays, Wednesdays, Thursdays, and Fridays. This action was taken on Thursday last. Unfortunately, the Senator from West Virginia was absent. But from now on until the end of the session we cannot delay action because some Senator happens to be absent. That applies just as much to Republican Senators as to Democratic Senators. I urge very strongly on the Senate that we may have an important vote on any day of the week from now until the 4th of July, and

I hope every Member of the Senate can be present. I do not believe that the fact that any Senator is unable to be present should be accepted as a proper and sound reason for reopening questions which have been debated and disposed of. I do not believe that we should order another vote in order that a particular Senator may be accommodated.

Mr. BUCK. Mr. President, I am reminded of the fact that the vote to which the Senator from West Virginia objects was taken earlier in the afternoon on the question of substituting the Senate bill, as perfected, for title II of the House bill.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from West Virginia [Mr. KILGORE] to reconsider the vote by which the Senate bill was substituted for title II of the House bill.

Mr. KILGORE. The Senate bill, as amended, was substituted for title II of the House bill.

The PRESIDENT pro tempore. That is correct.

The question is on agreeing to the motion of the Senator from West Virginia.

The motion was rejected.

The PRESIDENT pro tempore. The bill is open to further amendment.

Mr. CONNALLY. Mr. President, I have been consulting the Senate bill, and I cannot locate the place in the House bill where my amendment should go. However, the Senator from Delaware [Mr. BUCK], with whom I have conferred about the matter, will know. There is a provision in the bill that housing commenced before March 1, 1947, shall be exempt from control. I wish to strike out the word "commenced" and insert in lieu thereof the words "was completed."

Mr. BUCK. Mr. President, as I understand, the Senator's amendment would permit the exemption of a few more houses.

Mr. CONNALLY. They are already in the course of construction.

Mr. BUCK. I have no objection.

Mr. CONNALLY. The Senator accepts the amendment, so I shall not argue it.

The PRESIDENT pro tempore. The Chair understands that the amendment is on page 8, line 24, in the Senate bill. Without objection, the amendment may be offered. The Chair hears no objection.

The amendment offered by the Senator from Texas will be stated.

The LEGISLATIVE CLERK. On page 8, line 24, of the Senate bill, after the words "construction of which" it is proposed to strike out "commenced" and insert in lieu thereof "was completed."

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Texas [Mr. CONNALLY].

The amendment was agreed to.

The PRESIDENT pro tempore. The bill is before the Senate and open to further amendment. If there be no further amendments to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

The PRESIDENT pro tempore. Without objection, Senate bill 1017 will be indefinitely postponed.

Mr. BUCK. Mr. President, I ask unanimous consent that the enrolling clerk be authorized to make appropriate changes in the section numbers of the matter which has been adopted as title II of House bill 3203, and that he be further authorized to change the word "Act" to the word "Title" wherever it may be appropriate to make such change.

The PRESIDENT pro tempore. Without objection, the order is made.

Mr. BUCK. Mr. President, I move that the Senate insist upon its amendments, request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed Mr. BUCK, Mr. McCARTHY, Mr. CAIN, Mr. FULBRIGHT, and Mr. TAYLOR conferees on the part of the Senate.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Svanson, one of its reading clerks, announced that the House had passed without amendment the following bills of the Senate:

S. 565. An act to amend section 3539 of the Revised Statutes, relating to taking trial pieces of coins;

S. 566. An act to amend sections 3533 and 3536 of the Revised Statutes with respect to deviations in standard of ingots and weight of silver coins;

S. 583. An act to authorize the exchange of lands acquired by the United States for the Silver Creek recreational demonstration project, Oregon, for the purpose of consolidating holdings therein, and for other purposes;

S. 993. An act to provide for the reincorporation of Export-Import Bank of Washington, and for other purposes; and

S. 1073. An act to extend until June 30, 1949, the period of time during which persons may serve in certain executive departments and agencies without being prohibited from acting as counsel, agent, or attorney for prosecuting claims against the United States by reason of having so served.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1) to reduce individual income tax payments.

TREASURY AND POST OFFICE DEPARTMENT APPROPRIATIONS

Mr. CORDON. Mr. President, I move that the Senate proceed to the consideration of House bill 2436, a bill making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1948.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 2436), making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1948, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

Mr. CORDON. Mr. President, I ask unanimous consent that the formal reading of the bill be dispensed with and that the bill be read for amendment, the amendments of the committee to be first considered.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. CORDON. Mr. President, I should like to make a short statement with reference to the bill as it comes from the Senate Appropriations Committee.

May I say, first, that the Senate Appropriations Committee, in returning its report, has dealt only with the changes in the bill recommended by the Senate Appropriations Committee. Those changes were not numerous, and, except in three major instances, were of minor amount. A summary of the bill as reported is as follows:

The amount in the bill as it passed the House was \$3,202,056,750.

The net increase by the Senate was \$40,994,423.

The amount as reported to the Senate is \$3,243,045,173.

The amount of the regular estimates for 1948 is \$4,099,123,500.

The amount appropriated for 1947 is \$4,267,826,360.

The bill as reported to the Senate is under the appropriation of 1947 by \$1,024,781,187, and under the estimates for 1948 by \$856,078,327.

Mr. President, at this time I want to call attention to the fact that the decrease as recommended to the Senate by the Senate Appropriations Committee, being \$856,078,327, does not in its entirety represent a reduction in controllable appropriative items of that amount. Approximately \$800,000,000 of that decrease is represented by the Senate Appropriations Committee in following the action taken by the House on recommendation of its Appropriations Committee, namely, that the Congress adopt the procedure of making fixed appropriations for those items which are not controllable by the Appropriations Committee, due to the fact that they are fixed in amount by substantive law. The major items affected represent refunds of taxes erroneously collected, refunds of payments collected in customs, certain drawbacks, and so forth. In other words, as the Government goes about its business it is compelled in some instances to collect funds from citizens on the basis of an estimate. Thereafter, on an accurate determination, moneys may be returned which were erroneously collected. Those amounts are not controllable by the Appropriations Committees or by the Congress at this time, but are based upon yardsticks and conditions which are embodied in legislation already on the statute books.

Heretofore for a number of years Congress has made indefinite appropriations for those several purposes. The House felt this year that it was better practice to substitute fixed appropriative amounts and correct them in the coming year if they are found to be wrong.

An argument could be made for either procedure. The Senate Appropriations Committee elected to adopt the program

which the House has initiated, having in mind the thought that we might try it out. In any event, the amount of money which will be refunded by the Federal Government pursuant to the laws to that effect will not be affected by this appropriation. Such repayment is dependent upon facts not within the control of the Congress at this time.

I make that explanation because I want it perfectly clear, so that there shall be no misunderstanding as to the reduction in the amount of the appropriation estimate requested by the administrative departments for the current year.

Mr. President, I shall not read the balance of the recapitulation, but shall rather go immediately to the major items in which changes were made in the appropriation amounts.

First, Mr. President, the House combined four functions of the Treasury Department and made one over-all appropriation for the four functions. Those are the Office of General Counsel, the Tax Legislative Counsel, Division of Tax Research, and Division of Research and Statistics.

The committee went very carefully into the jurisdiction of the several divisions of the Treasury Department, into the type of inquiry and effort put forth by each of the divisions, and came to the conclusion that a better division would be made if the Office of the General Counsel and the Office of Tax Legislative Counsel were combined and a second agency made up of the Division of Tax Research and the Division of Research and Statistics. So the Senate committee makes the recommendation that that type of division be adopted rather than that which is set forth in the House bill, and the appropriation was appropriately changed, the Senate recommending \$100,000 more than did the House for the combined activities as divided by the Senate.

The House appropriation for the Bureau of Customs was most carefully investigated by the Senate committee, due primarily to the fact that very considerable public notice was taken of the House action, and what was undeniably a pressure campaign was indulged in to influence action by the Senate.

After careful investigation, which included two requests by the committee that the Secretary of the Treasury investigate and reinvestigate the Bureau with respect to certain matters, the committee reached the conclusion that the appropriation made by the House of Representatives for the Bureau of Customs should be increased by \$1,500,000. That action was taken, as I have heretofore stated, only after two examinations into conditions in the field. Those examinations were made at the request of the committee, and two comprehensive reports were prepared for the committee. Your committee is of the belief that that increase will permit the Bureau of Customs to function, even with an added load, in a way entirely adequate for the benefit of the people as a whole.

Your committee also recommends an increase of \$25,000,000 in the appropriation for the Bureau of Internal Revenue, over and above the amount allowed by the House of Representatives. Here,

again, the committee made an exhaustive survey of the facts, and requested and secured itemized statistical data showing the returns to the Treasury resulting from the activities of the enforcement agencies of the Internal Revenue service. The committee had that information broken down into units, so that it could obtain a most careful analysis of the facts. The conclusion of the committee was that the retention of approximately 17,000 enforcement agents would be for the best interest of the people of the United States and would represent a return of almost \$20 to the Treasury for each dollar expended in that particular effort. That item accounts for the major increase which was made by the committee in the Treasury division of the appropriation bill.

As to the Coast Guard, Mr. President, again the committee was confronted with a most troublesome situation. The House of Representatives had taken the view that the Coast Guard was expanding its activities unduly, and that it should not be made, as the statement appeared in the report, a "blue water" agency, but should confine its activities solely to domestic waters. During the war the Coast Guard took on additional duties, after it was integrated with the Navy. Among those duties was the operation of navigational aids in various parts of the world, including what are known as loran stations and weather stations. The appropriation made by the House of Representatives for the Coast Guard was clearly insufficient to permit those activities to be carried on by that agency. Investigation indicated that no other agency of the Government had included in its requested appropriations any estimate to cover those activities. The necessity for the maintenance of the loran stations and weather stations was made clearly apparent. With reference to the loran stations, Mr. President, let me say that we have international commitments requiring our participation. There was abundant evidence to indicate the value of both the loran and the weather stations to both water and air navigation. Therefore, your committee felt that in view of all the additional evidence which it had secured, an additional appropriation should be made, so that those aids to navigation might be continued for the next fiscal year. The item for that purpose represents an increase of \$12,483,123 over the appropriations made by the House of Representatives for the Coast Guard. Those items represent the major increases in the Treasury section of the bill.

In the Post Office division of the bill certain increases are recommended by your committee. Most of them are in minor amounts.

For the Office of the Postmaster General your committee recommends an increase of \$15,000.

The increases recommended by your committee in salaries in bureaus and offices are as follows:

For the Office of the First Assistant Postmaster General, \$30,000;

For the Office of the Second Assistant Postmaster General, \$20,000;

For the Office of the Third Assistant Postmaster General, \$15,000;

For the Office of the Fourth Assistant Postmaster General, \$25,000;

For the office of the purchasing agent, \$5,800.

Or a total increase in salaries in bureaus and offices of \$95,800.

Your committee recommends an increase of \$200,000 in the item for binding and printing.

Mr. President, in regard to the Post Office Department field service, the committee found it necessary to make an increase of \$817,600, due to what was clearly a mistake on the part of the House of Representatives in failing to provide salaries for certain Post Office clerks as to whom a recommendation had been made that they be promoted to the position of assistant postmaster. The House cut out the funds to take care of such promotions, but failed to provide sufficient appropriations to take care of the salaries of those clerks in their present positions. Accordingly, the Senate committee recommends that such an appropriation be made.

The committee also recommends an increase in the amount of \$200,000 in the appropriation for carfare and bicycle allowance; an increase of \$457,000 in the appropriation for rent, light, power, fuel, and water; and an increase of \$20,000 in the appropriation for transportation of equipment and supplies—or a total increase in the amount of \$1,805,400 for the Post Office Department.

Mr. President, with that brief explanation, I ask that the Senate proceed to consider the amendments of the committee.

The PRESIDENT pro tempore. The first amendment of the committee will be stated.

The first amendment of the Committee on Appropriations was, under the heading "Title I—Treasury Department," in the subhead on page 2, line 14, after the word "Counsel" to insert "And Tax Legislative Counsel."

Mr. HAYDEN. Mr. President, I intend to discuss some of the amendments briefly, but prior thereto I ask unanimous consent that the minority views be printed at this point in the RECORD as a part of my remarks.

There being no objection, the minority views (Rept. 201, pt. 2) were ordered to be printed in the RECORD, as follows:

The undersigned heartily concur in the several recommendations to increase appropriations contained in the committee report because such increases, as a whole, will have the effect of recovering 20 times as much money in additional revenues, which would otherwise be lost to the Treasury. The Treasury and Post Office Departments are the two great revenue-producing agencies of the Government and, if properly sustained, can produce greater revenues and at the same time give greater service to the public. We believe that, for these same two reasons, it would be wise and in the interest of overall economy to grant additional sums to each of these Departments for other phases of their work.

BUREAU OF INTERNAL REVENUE

With particular regard to the Bureau of Internal Revenue we are convinced that an appropriation above the budget estimate will pay handsome dividends. This conviction is based upon actual experience. During the

fiscal year ending June 30, 1946, Congress made deficiency appropriations amounting to \$32,650,000 which enabled the Bureau to employ about 5,000 additional deputy collectors and revenue agents. During the present fiscal year about 2,500 more have been put to work and, in a letter to Senator CORDON, printed in the hearings, the Secretary of the Treasury estimates that if the approximately 27,000 men now assigned to that duty are retained they will bring into the Treasury \$2,500,000,000 in taxes which otherwise would not be collected.

In his testimony before the Senate committee on page 22, Mr. A. L. M. Wiggins, the Under Secretary of the Treasury and a former president of the American Bankers Association, demonstrated how increasing this personnel has increased the Federal revenues:

"I do not make this statement lightly. Let me give you some figures. During the fiscal year 1944, with an average of 16,163 enforcement officers, the Bureau collected \$814,312,825 which would not otherwise have been paid. During the fiscal year 1945 an average of 19,344 enforcement officers collected \$1,088,916,075. During the fiscal year 1946 an average of 24,411 enforcement officers, about 5,000 of whom were newly recruited and had not developed to the point of maximum efficiency, collected \$1,478,949,000.

"During the first 7 months of this fiscal year, to January 31, 1947, an average of 26,968 enforcement officers, many of whom were still in the training period, collected \$1,128,000,000 which likewise would not have been paid. This is at an annual rate of roughly \$2,000,000,000.

"ESTIMATED 1948 INCOME FROM ENFORCEMENT OFFICERS

"In 1948, we estimated an income of \$2,500,000,000 from our enforcement efforts. The estimate is a conservative one and it was based on the assumption that the number of enforcement officers employed during 1948 would be the same as we have at present and on the further assumption that by virtue of one additional year of training these men would be even more productive.

"Moreover, the class of tax cases on which they would be working during 1948 would be chiefly the high income and high tax rate years of 1944 and 1945, which will be more productive than those of previous years."

During his appearance at the hearings, the very able Commissioner of Internal Revenue, Mr. Joseph D. Nunan, Jr., stated (p. 229) that the proposed tax-reduction bill now under consideration in the Senate "is going to cause a great many more refunds than now, and, if anything, it should increase our personnel rather than to decrease it. * * * There is no decrease in the number of taxpayers or returns to be filed under the present bill, so that our staff which is now undermanned, will certainly be undermanned under the new bill."

At pages 235-236, the Commissioner said: "I can also demonstrate that there are today thousands of profitable tax cases that we have to put back into the files untouched because the present enforcement group is simply not large enough in number to handle them. * * *

"I made the following statement to the House committee: (1) That our enforcement group would produce 2.5 billion dollars in 1948 over and above that which would be voluntarily paid; and (2) that we would provide a return of \$20 for each \$1 expended in enforcement. Since the House cut became known I have stated, in answer to questions put to me, that we would lose some \$600,000,000 in revenue due to the \$30,000,000 cut."

In the belief that the representations made by responsible Treasury officials are true, the committee has restored \$25,000,000 of the reduction of \$30,000,000 made by the House of Representatives in the appropriation asked for by the Bureau of Internal Revenue. We

think that the full Budget estimate of \$208,000,000 should not only be granted but increased. That conclusion is fortified by a written statement filed by Messrs. Robert N. Miller, H. C. Kilpatrick and W. A. Sutherland, well-known attorneys engaged in Federal tax practice, all of whom are members of the standing committee on Federal taxation of the American Bar Association. The following is taken from their statement printed on page 270 of the hearings:

"Since the present \$208,000,000 budget contemplates what seems to us a dangerously inadequate coverage of investigations, it is our hope that the committee will not only keep in the budget every dollar which has been asked for, but that the Joint Committee on Internal Revenue will be directed to study the enforcement problem which confronts the Bureau and to determine whether there should not be an increase in the enforcement activities of the Bureau to the extent that its training facilities will permit it to assimilate new personnel.

"It is apparent from the above figures that the personnel suggested is inadequate to the present task of the Bureau and that instead of reducing the budget by \$30,000,000 and personnel by some 7,000 persons, at least 10,000 more persons could be advantageously and economically employed, if so many trained personnel were available, with an increased appropriation of at least \$40,000,000 or \$50,000,000.

"It might be impossible effectively to train so large a group at once, but the need is clear and the force should be limited below the effective minimum, if at all, by the training facilities available and not by considerations of cost. It would certainly be a great disservice to the immediate revenue, and to the future integrity of our income-tax system to cut the personnel below the number now proposed."

In his personal appearance before the subcommittee Mr. Miller said at pages 274-277:

"We feel, that, while it is very necessary and very profitable to go after the real fraud cases—and there is easily \$1,500,000,000 in this backlog—a greater amount of money is really involved in the nonfraud cases.

"Now those nonfraud cases do get barred in 3 years unless there is a waiver, and for very good reasons a vast number of these cases are not held open until the Government gets around to looking at them.

"It is my own conviction as well as my associates' here, that in case of corporate taxes especially, where the problems involved are numerous, a taxpayer might well have decided that he will stay in the twilight zone waiting to have the questions raised. There are tremendous cases without fraud in them, that have been set up by the ablest and most honest of accountants that are still just full of questions, some of them involving a million dollars or so, that deserve to be ironed out.

"The dangerous thing about those is that they do get barred unless they are discovered and that is the reason for going in now, solely because of the gradual fading away of this tremendous asset. * * *

"ADDITIONAL REVENUE COULD BE OBTAINED BY INCREASING APPROPRIATION

"Senator HAYDEN. Do I understand you to say that it would be good business on the part of the Government, instead of making a deduction of \$30,000,000, to add \$30,000,000 to this bill?

"Mr. MILLER. We believe that would be true. It is our settled conviction. We think that the current practice of spot-checking returns is entirely inadequate to keep the taxpayers in sufficient fear of discovery. Just as a company builds up good will by advertising and loses it if they do not keep the advertising going, we must keep going to preserve a rather remarkable past habit of the American public of tax compliance. It is a wonderful asset of this country and just as

different as anything from France, which I mentioned before.

"IMPORTANCE OF MAINTAINING TAX COMPLIANCE

"Noncompliance busted France. They never could get the taxpayers to let the investigators start. You could not convict anybody because everybody was doing it. Public opinion was against the collection of taxes.

"Now we are wonderfully lucky. I made a study of compliance in 1938 which is published in the report of the Bar Association. It is a very precious thing this country has, and we just cannot afford to lose it.

"Senator CORDON. It is your view, I take it, that it would be on the part of good judgment to maintain a sufficient force to induce tax compliance rather than later to have to put on perhaps a greater force to prosecute tax law violations?

"Mr. MILLER. That is right. Further, if we waited we would not get the cash, because in a very large number of fraud cases the money—and the money in those cases is just as good as any other money—disappears.

"Then there are the really big cases involving difficult questions. In the great big returns where these marginal questions come up, the tax may depend on a problem of valuation. Anybody who touches valuations of railroads or anything else knows that the twilight zones are horribly wide and the degree of judgment employable is immense.

"Senator KNOWLAND. Your theory is that the return on the Government's investment would be much greater now?

"Mr. MILLER. Yes; and particularly while these last 3 or 4 years of high taxes are still fresh and subject to investigation.

"Also, there is the other one involving the people who play fast and loose with taxation. They are the ones who go busted in a few years. They may owe \$5,000,000 or \$10,000,000 in taxes. We used to find that they were the very fellows who did not have it, when we came around to collect a few years later. It was a kind of a practical statute of limitation for crooks to go busted in some way other than the legal limitation."

We are highly impressed by the suggestion made by Messrs. Miller, Kilpatrick, and Sutherland, that the Joint Committee on Internal Revenue be directed to study the enforcement problem which now confronts the Bureau of Internal Revenue, with a view to determining how many additional deputy collectors and revenue agents could be employed with profit to the Government. That committee, with its efficient staff, should be able to make a prompt recommendation to Congress so that deficiency appropriations can be made before the present session ends in July. What was done in 1946 to increase the number of enforcement officers, can be repeated in 1947 with equally beneficial results.

A practically certain return of \$20 for \$1 on an investment is marvelous. Any businessman who was sure that he could recover 10 for 1, or 5 for 1, or even 2 for 1 would not hesitate to advance all the funds needed to accomplish such results even though he had to borrow money to do it. The testimony before the Senate and House Committees on Appropriations is clear and definite that there are very large amounts of money due to the United States in unpaid taxes and that if what is due is not collected this great asset will fade away due to the operation of the 3-year limitation fixed by law. Every dollar that can be collected now is needed to reduce the national debt and to assist in balancing the Budget. Congress should not let this opportunity pass by practicing false and foolish economy.

CUSTOMS SERVICE

We commend the increase of \$1,500,000 recommended by the Senate committee in the appropriations for the customs service as a step in the right direction, but the step

is not long enough since it leaves that service with working funds only about equal to the sums available during the present fiscal year. This does not take into consideration that the present personnel of the Bureau is inadequate to give proper care to the constant increase in international trade and travel which has naturally followed the cessation of hostilities, and of which a still greater expansion may be reasonably expected.

The prospects are that because of increased smuggling and avoidance of the tariff laws the Treasury will lose much more than the saving of \$2,000,000 below the Budget estimates which is proposed by the Senate committee. The commercial interests of the Nation will also suffer because of delays in the customs clearance of merchandise, not to speak of the inconveniences which will be experienced by returning travelers whose baggage must be inspected at the seaports and airports. We do not hesitate to predict that the complaints from both sources will be so general that Congress will be compelled to make deficiency appropriations for the customs service during the next fiscal year. It would be better to make these increased appropriations now.

Just because some employees in the Customs Service were foolish enough to believe that by inspiring a flood of letters and telegrams they could influence Congress to save their jobs is no reason why the Government should be deprived of much-needed revenue or that the public should be punished by lack of adequate service. Congress should be guided, not by resentment, but by sound business sense.

"PHONY" ECONOMY

There can be no doubt that the sums of money provided in the bill will be insufficient to carry on a number of functions which the Treasury and Post Office Departments are required by law to perform. The most glaring example is the reduction of \$800,000,000 in the budget estimate of \$2,031,000,000 required for refunding internal revenue collections. It is certain that during the fiscal year ending June 30, 1948, additional money must be appropriated by Congress to meet the repayments which will accrue.

It is also highly improbable that the several sums aggregating \$16,500,000 which are made available for the refund of money erroneously collected, the payment of certified claims, and for customs refunds and draw-backs, will be sufficient to meet the actual requirements. The total amount carried in the bill is \$3,200,000 less than the sum which the Bureau of the Budget estimated would be needed to meet firm obligations of the Government over which the Treasury Department has no control. We believe that the guess made by the House and Senate Committees on Appropriations is too low and that it would be better to make these appropriations now.

THE POST OFFICE DEPARTMENT

We are also convinced that both committees have underestimated the amount of money that must be provided to sustain certain essential activities of the Post Office Department. The public demand for better city and rural delivery service is so insistent that some part of the reduction of \$538,000 below the sums recommended in the President's budget will have to be restored by deficiency appropriations made early in 1948.

The bill as it stands reduces by \$240,000 the money made available to pay indemnities for the injury or loss of registered, insured, or collect-on-delivery mail, which is an absolute obligation of the Government, and decreases by \$520,000 the money to redeem unpaid money orders over 1 year old, which is also an absolute obligation of the Government. The hearings show that each of these cuts, like a number of others, is "phony" and will

not result in an actual saving of such sums to the Treasury. As in the case of the customhouse and other refunds, unless Congress makes deficiency appropriations in ample time many people will be deprived of money due them and which they are entitled to receive without delay.

Altogether it is entirely probable that Congress will have to appropriate sums which, including the \$800,000,000 additional normally provided and needed for lawful tax refunds, will approach a billion dollars, and which should have been included in this appropriation bill.

CARL HAYDEN.

MILLARD E. TYDINGS.

THEODORE FRANCIS GREEN.

ELMER THOMAS.

RICHARD B. RUSSELL.

PAT MCCARRAN.

JOSEPH C. O'MAHONEY.

Mr. HAYDEN. Mr. President, I should like to discuss the amendment now pending before the Senate.

There may be some possible advantage in combining the Office of the General Counsel of the Treasury Department and the Office of Tax Legislative Counsel, although each office performs different functions. It is certainly better to unify the Division of Tax Research with the Division of Research and Statistics than to jumble these four agencies under one head as proposed by the House. The unification recommended by the Senate committee may, after a time, be made workable; but I reserve the right to express grave doubt as to whether the best results can be fully accomplished with a total reduction under the budget estimates of \$145,600, as provided in the bill as reported to the Senate.

Now that the enormous expenditures incident to carrying on the war are no longer required, everyone agrees that there should be a general revision of the Federal tax structure. Congress is entitled to have the benefit of the best advice that can be given by those in the Treasury Department who, by actual experience, are qualified to state what the effect will be of numerous proposed changes in the laws relating to Federal taxation. To compel the discharge of men possessing these exceptional qualifications by a failure to appropriate the money to pay their salaries may prove to be short-sighted and unbusinesslike.

It is a matter of even more grave concern when the Treasury Department can be deprived of the services of a number of men who have rendered highly efficient service in the field of public debt-management. The testimony of Under Secretary Wiggins at the hearings in that regard, may well be repeated to the Senate. He said:

Developments in the money markets and in the banking position must be kept under constant review. The flow of funds to the various investor classes must be studied, and their investment position must be examined continually. In addition, alternative proposed financing programs must be developed and the terms of possible Treasury securities worked out for each operation. The Division of Research and Statistics performs this technical-staff work for us.

If, for lack of information, a blunder were made in managing the public debt, it would be worse than a crime.

The PRESIDING OFFICER (Mr. McGrath in the chair). The question is on

agreeing to the amendment reported by the committee.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment of the Committee on Appropriations.

The next amendment was, on page 2, line 17, after "District of Columbia", to strike out "\$450,000" and insert "\$250,000."

The amendment was agreed to.

The next amendment was, on page 2, after line 17, to insert:

DIVISION OF TAX RESEARCH AND RESEARCH AND STATISTICS

Salaries: For personal services in the District of Columbia, \$300,000.

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Customs", on page 10, line 3, after the word "exceed", to strike out "\$826,000" and insert "\$832,438", and in line 7, before the word "of", to strike out "\$32,500,000" and insert "\$34,000,000."

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Internal Revenue", on page 11, line 18, after the word "exceed", to strike out "\$2,480,000" and insert "\$2,530,000"; in line 19, after the word "exceed", to strike out "\$1,425,000" and insert "\$1,500,000"; and in line 20, after the word "ammunition", to strike out "\$178,000,000" and insert "\$203,000,000."

The amendment was agreed to.

The next amendment was, under the subhead "Secret Service Division", on page 16, line 11, after the word "United", to strike out "States," and insert "States;"

The amendment was agreed to.

The next amendment was, on page 16, line 21, after "(3 U. S. C. 62)", to strike out "\$270,000" and insert "\$372,900."

The amendment was agreed to.

The next amendment was, on page 17, line 2, after the word "determine", to strike out "\$6,000" and insert "\$9,000."

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Federal Supply", on page 23, after line 15, to strike out:

No part of any money appropriated by this or any other act shall be used during the fiscal year 1948 for the purchase, within the continental limits of the United States, of any standard typewriting machines (except bookkeeping, billing, and electric machines) at a price in excess of the following for models with carriages which will accommodate paper of the following widths, to wit: 10 inches (correspondence models), \$77; 12 inches, \$82.50; 14 inches, \$85.25; 16 inches, \$90.75; 18 inches, \$96.25; 20 inches, \$103.40; 22 inches, \$104.50; 24 inches, \$107.25; 26 inches, \$113.85; 28 inches, \$114.40; 30 inches, \$115.50; 32 inches, \$118.25; or, for standard typewriting machines distinctively quiet in operation, the maximum prices shall be as follows for models with carriages which will accommodate paper of the following widths, to wit: 10 inches, \$88; 12 inches, \$93.50; 14 inches, \$99; 18 inches, \$104.50: *Provided*, That there may be added to such prices the amount of Federal excise taxes paid or payable with respect to any such machines.

And in lieu thereof to insert the following:

No part of any money appropriated by this or any other act shall be used during the

fiscal year 1948 for the purchase, within the continental limits of the United States, of any standard typewriting machines (except bookkeeping, billing, and electrical machines) at a price in excess of 70 percent of the commercial list price in effect at time of delivery for the various models and carriage widths purchased.

The amendment was agreed to.

The next amendment was, under the heading "Coast Guard", on page 25, line 3, before the word "Provided", to strike out "\$97,000,000" and insert "\$109,483,123."

Mr. HAYDEN. Mr. President, the Senate committee very properly concluded that the Coast Guard was the only available agency to operate the loran stations and weather stations as essential aids to ocean navigation by air and surface ships. Such aids are so vitally needed that they will have to be expanded to a greater degree than can be attained by the \$12,483,123 recommended to the Senate.

The hearings show that the total request for funds made by the Treasury Department for the Coast Guard for the next fiscal year was \$171,279,333, which sum was reduced by the Bureau of the Budget to \$132,904,400, and then "meat-axed" by the House of Representatives to a flat \$97,000,000. Even with the restoration of \$12,483,123, the bill as reported to the Senate is \$23,421,277 below the budget, the effect of which may well be an impairment in the efficiency of the life-saving and lighthouse services on the coasts of both oceans and on the Great Lakes, and inadequate inspection of vessels of the merchant marine, all of which could lead to marine disasters, and the consequent loss of human life, which otherwise might have been prevented.

Mr. CORDON. Mr. President, the subcommittee went into this matter in very considerable detail. The Coast Guard's own figures were taken in determining the additional amount to be added by the committee to the appropriation. The Weather Bureau stations for the year would represent \$4,712,713, which covered all expenses, including personnel, general expenses, and the like.

The loran station would cost \$5,711,710, according to the Coast Guard's own figures, and that included pay of personnel, equipment, general expenses, and so forth. Then there was included, for the construction of two loran stations in Alaska, the additional sum of \$2,058,700. Those three amounts add up to the figure used by the committee and the amount added to the appropriation.

It is the view of the committee, Mr. President, that if these additional aids to navigation are operated efficiently there will of necessity be much less attention needed to be paid to rescue equipment and that type of activity.

The loran stations themselves represent the most advanced activity known in the way of safety appliances. The weather bureau stations add the additional knowledge as to weather conditions, and certainly the two should result in a lowering of any need for other types rescue and safety operations by the Coast Guard.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment of the Committee on Appropriations.

The next amendment was, on page 28, line 19, after the word "exceed", to strike out "\$70,000,000" and insert "\$77,153,271", and on page 29, line 5, after "Civilian Employees, Coast Guard", to insert "and Office of the Commandant."

The amendment was agreed to.

The next amendment was, under the heading "Title II—Post Office Department—Post Office Department, Washington, District of Columbia—Office of the Postmaster General", on page 32, line 15, after "(Public Law 658)", to strike out "\$375,000" and insert "\$390,000."

The amendment was agreed to.

The next amendment was, under the subhead "Salaries in Bureaus and Offices", on page 32, line 23, after "Office of the First Assistant Postmaster General", to strike out "\$1,100,000" and insert "\$1,130,000."

The amendment was agreed to.

The next amendment was, on page 32, line 25, after "Office of the Second Assistant Postmaster General" to strike out "\$900,000" and insert "\$920,000."

The amendment was agreed to.

The next amendment was, on page 33, line 2, after "Office of the Third Assistant Postmaster General", to strike out "\$1,325,000" and insert "\$1,340,000."

The amendment was agreed to.

The next amendment was, on page 33, line 4, after "Office of the Fourth Assistant Postmaster General", to strike out "\$700,000" and insert "\$725,000."

The amendment was agreed to.

The next amendment was, on page 33, line 8, after "Office of the purchasing agent", to strike out "\$78,000" and insert "\$83,800."

The amendment was agreed to.

The next amendment was, under the subhead "Contingent Expenses, Post Office Department", on page 33, line 19, after "Postal Service", to strike out "\$1,500,000" and insert "\$1,700,000."

The amendment was agreed to.

The next amendment was, under the subhead "Office of the First Assistant Postmaster General," on page 37, line 5, after "(Public Law 658)" to strike out "\$487,000,000" and insert "\$487,817,600."

The amendment was agreed to.

The next amendment was, on page 38, line 6, after the word "bicycles" to strike out "\$1,700,000" and insert "\$1,900,000."

The amendment was agreed to.

The next amendment was, under the subhead "Office of the Fourth Assistant Postmaster General," on page 42, line 19, after the word "offices" to strike out "\$13,000,000" and insert "\$13,457,000."

The amendment was agreed to.

The next amendment was, on page 43, line 21, after the word "which" to strike out "\$5,400,000" and insert "\$4,514,000."

The amendment was agreed to.

The next amendment was, on page 44, line 10, after the word "expenses" to strike out "\$500,000" and insert "\$520,000."

The amendment was agreed to.

The PRESIDING OFFICER. That completes the committee amendments. The bill is open to further amendment.

Mr. HAYDEN. Mr. President, I offer an amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. On page 31, between lines 20 and 21, it is proposed to insert a new paragraph, as follows:

The Joint Committee on Internal Revenue Taxation is authorized and directed to make a study of the enforcement of the internal-revenue laws with a view to ascertaining the numbers of deputy collectors, revenue agents, and other personnel, who should be employed by the Bureau of Internal Revenue in order to insure the maximum net return to the United States from taxes imposed by such laws, and to report the results of such study to the Senate and the House of Representatives.

Mr. HAYDEN. Mr. President, I have submitted the amendment to the Senator from Colorado [Mr. MILLIKIN] and the Senator from Georgia [Mr. GEORGE], who are members of the Joint Committee on Internal Revenue Taxation, and I understand it is acceptable to the Senator in charge of the bill.

Mr. CORDON. Mr. President, the amendment is entirely acceptable. I have no objection to it.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Arizona [Mr. HAYDEN].

The amendment was agreed to.

Mr. CORDON. Mr. President, I desire to offer a further amendment to the bill. It is not a committee amendment. It would have been recommended by the committee, but I believe it was omitted through an oversight. However, it has not been presented to the committee, and I am offering it as my personal amendment to the bill.

The PRESIDING OFFICER. The Clerk will read the amendment.

The CHIEF CLERK. On page 10, line 12, it is proposed to change the period to a comma and add the following:

and of which not to exceed \$100,000 shall be available, for defraying, on a contract basis or otherwise, the expense of a management study of the Bureau of Customs.

Mr. CORDON. Mr. President, the purpose of the amendment is to authorize the Secretary of the Treasury to make a further and more complete examination of the operation of the Bureau of Customs, with a view to increasing the efficiency of that agency. It will be noted that the amount is simply set as a maximum, and it is a limitation on funds already appropriated. No further appropriation is necessary for the purpose of having the examination and investigation made. I move the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oregon.

The amendment was agreed to.

The PRESIDING OFFICER. If there be no further amendment, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read the third time.

The bill, H. R. 2436, was read the third time and passed.

Mr. CORDON. Mr. President, I move that the Senate insist on its amendments, ask for a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer appointed Mr. CORDON, Mr. REED, Mr. BRIDGES, Mr. SALTONSTALL, Mr. FLANDERS, Mr. TYDINGS, Mr. McKELLAR, and Mr. HAYDEN conferees on the part of the Senate.

CONSTITUTION OF THE INTERNATIONAL LABOR ORGANIZATION INSTRUMENT OF AMENDMENT

Mr. VANDENBERG obtained the floor.

Mr. THOMAS of Utah. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield to the Senator from Utah.

Mr. THOMAS of Utah. Mr. President, I desire to renew the unanimous-consent request I made this morning concerning the constitution of the International Labor Organization. The Senator from Ohio, who asked that there be a delay until he could investigate the matter further, has informed me that he has no objection to my unanimous-consent request at this time. I think there is no other objection. I ask unanimous consent that the Senate proceed to the consideration of Calendar 208, Senate Joint Resolution 117.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the joint resolution (S. J. Res. 117) providing for acceptance by the United States of America of the constitution of the International Labor Organization Instrument of Amendment, and further authorizing an appropriation for payment of the United States share of the expenses of membership and for expenses of participation by the United States.

Mr. THOMAS of Utah. Mr. President, I think the explanation made earlier in the day is sufficient. I therefore suggest that we proceed to vote, unless some Senator desires to ask a question.

Mr. TAFT. Mr. President, I note that in the committee report, while it is a summary, there is no copy of the amended constitution of the International Labor Organization. With the approval of the Senator, I ask that, following his remarks, there be printed in the Record the amended constitution of the International Labor Organization.

Mr. THOMAS of Utah. I hope that that will be done.

The PRESIDING OFFICER. Is there objection?

There being no objection, the constitution of the International Labor Organization was ordered to be printed in the Record, as follows:

INSTRUMENT FOR THE AMENDMENT OF THE CONSTITUTION OF THE INTERNATIONAL LABOR ORGANISATION

The General Conference of the International Labour Organisation,

80TH CONGRESS
1ST SESSION

H. R. 2436

IN THE HOUSE OF REPRESENTATIVES

JUNE 2, 1947

Ordered to be printed with the amendments of the Senate numbered

AN ACT

Making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1948, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 TITLE I—TREASURY DEPARTMENT

4 That the following sums are appropriated, out of any money
5 in the Treasury not otherwise appropriated, for the Treasury
6 Department for the fiscal year ending June 30, 1948,
7 namely:

8 OFFICE OF THE SECRETARY

9 Salaries: For personal services in the District of Colum-
10 bia, \$409,000: *Provided*, That no part of the money appro-

1 priated shall be used to pay the salaries of more than
 2 eighteen messengers assigned to duty in the Office of the
 3 Secretary.

4 Personal or property damage claims: For payment of
 5 claims pursuant to part 2 of the Federal Tort Claims Act
 6 of August 2, 1946 (Public Law 601), \$20,000.

7 Penalty mail costs: For deposit in the general fund of
 8 the Treasury for cost of penalty mail of the Treasury De-
 9 partment as required by the Act of June 28, 1944,
 10 \$6,700,000.

11 ~~(1) OFFICE OF GENERAL COUNSEL~~ OFFICE OF GENERAL
 12 COUNSEL AND TAX LEGISLATIVE COUNSEL

13 Salaries: For personal services in the District of Colum-
 14 bia, ~~(2)\$450,000~~ \$250,000.

15 ~~(3)~~ DIVISION OF TAX RESEARCH AND RESEARCH AND
 16 STATISTICS

17 Salaries: For personal services in the District of
 18 Columbia, \$300,000.

19 DIVISION OF PERSONNEL

20 Salaries: For personal services in the District of
 21 Columbia, \$127,000.

22 Health service programs, Treasury Department: For
 23 expenses necessary in maintaining health service programs,
 24 pursuant to Public Law 658, Seventy-ninth Congress, for
 25 employees of the Department in the District of Columbia,

1 \$75,000: *Provided*, That other appropriations in this Act
2 shall be available for health service program in the field as
3 authorized by said Public Law 658.

4 OFFICE OF CHIEF CLERK

5 Salaries: For personal services in the District of Colum-
6 bia, \$326,000.

7 MISCELLANEOUS EXPENSES, TREASURY DEPARTMENT

8 Miscellaneous expenses: For necessary expenses of the
9 Office of the Secretary and the bureaus and offices of the
10 Treasury Department, not otherwise provided for; including
11 operating expenses of the Treasury, Treasury Annex, Audi-
12 tors', and Liberty Loan Buildings; \$225,000.

13 Printing and binding: For printing and binding for the
14 Department except such bureaus and offices as may be other-
15 wise provided for, including materials for the use of the
16 bookbinder, located in the Department, but not including
17 work done at the New York Customhouse bindery authorized
18 by the Joint Committee on Printing in accordance with the
19 Act of March 1, 1919 (44 U. S. C. 111), \$35,000.

20 CUSTODY OF TREASURY BUILDINGS

21 Salaries: For personal services in the District of Colum-
22 bia, including the operating force of the Treasury Building,
23 the Treasury Annex, the Liberty Loan Building, the Audi-
24 tors' Building, and the west and south annexes thereof,
25 \$650,000.

1 FISCAL SERVICE

2 BUREAU OF ACCOUNTS

3 Salaries and expenses: For necessary expenses in the
4 District of Columbia, including contract stenographic report-
5 ing services, \$1,016,000.

6 Salaries and expenses, deposit of withheld taxes: For
7 necessary expenses incident to the deposit of withheld
8 taxes in Government depositories pursuant to the Current
9 Tax Payment Act of 1943, including personal services in
10 the District of Columbia and reimbursement to Federal
11 Reserve banks for printing and other necessary expenses,
12 \$460,000.

13 Printing and binding: For printing and binding, Bureau
14 of Accounts, \$60,000.

15 Salaries and expenses: For necessary expenses of the
16 Division of Disbursement, including personal services in the
17 District of Columbia, \$9,935,000: *Provided*, That with the
18 approval of the Bureau of the Budget there may be trans-
19 ferred to this appropriation and to the appropriation "Print-
20 ing and binding, Division of Disbursement" from Railroad
21 Retirement Board, "Conservation and use of agricultural
22 land resources, Department of Agriculture," and from avail-
23 able corporate funds of Government-owned or -controlled
24 corporations, such sums as may be necessary to cover the

1 expense incurred in performing the function of disbursement
2 therefor.

3 Printing and binding: For printing and binding,
4 Division of Disbursement, including the cost of transporta-
5 tion to field offices of printed and bound material and the cost
6 of necessary packing boxes and packing materials, \$170,000.

7 Contingent expenses, public moneys: For contingent
8 expenses under the requirements of section 3653 of the Re-
9 vised Statutes (31 U. S. C. 545), for the collection, safekeep-
10 ing, transfer, and disbursement of the public money, trans-
11 portation of notes, bonds, and other securities of the United
12 States, transportation of gold coin and gold certificates trans-
13 ferred to Federal Reserve banks and branches, United States
14 mints and assay offices, and the Treasury, after March 9,
15 1933, actual expenses of examiners detailed to examine the
16 books, accounts, and money on hand at the several deposi-
17 tories, including national banks acting as depositories under
18 the requirements of section 3649, Revised Statutes (31
19 U. S. C. 548), also including examinations of cash accounts
20 at mints, \$400,000.

21 Recoinage of silver coins: For expenses necessary to
22 continue the recoinage of worn and uncurrent subsidiary
23 silver coins of the United States now in the Treasury or
24 hereafter received, and to reimburse the Treasurer of the

1 United States for the difference between the nominal or face
2 value of such coins and the amount the same will produce in
3 new coins, \$200,000.

4 Relief of the indigent, Alaska: For the payment to the
5 United States district judges in Alaska (not to exceed 10
6 per centum of the receipts from licenses collected outside
7 of incorporated towns in Alaska), to be expended for the
8 relief of persons in Alaska who are indigent and incapacitated
9 through nonage, old age, sickness, or accident,
10 \$14,000.

11 Refund of moneys erroneously received and covered:
12 For meeting any expenditures of the character formerly
13 chargeable to the appropriation accounts abolished under
14 section 18 of the Permanent Appropriation Repeal Act of
15 1934, approved June 26, 1934, and any other collections
16 erroneously received and covered which are not properly
17 chargeable to any other appropriation, \$700,000.

18 Payment of certified claims: For the payment of claims
19 (not to exceed \$500 in any case) which may be certified
20 during the fiscal year 1948 by the Comptroller General of
21 the United States to be lawfully due, within the limits of,
22 and chargeable against the balances of the respective appropriations
23 heretofore made which, after remaining unexpended,
24 have been carried to the surplus fund pursuant to

1 section 5 of the Act of June 20, 1874 (31 U. S. C. 713),
2 \$700,000.

3 Payment of unclaimed moneys: For meeting any ex-
4 penditures of the character formerly chargeable to the
5 appropriation accounts abolished under section 17 of the
6 Permanent Appropriation Repeal Act of 1934, approved
7 June 26, 1934, payable from the funds held by the United
8 States in the trust fund receipt account "Unclaimed moneys
9 of individuals whose whereabouts are unknown", \$100,000.

10 BUREAU OF THE PUBLIC DEBT

11 Administering the public debt: For necessary expenses
12 connected with any public-debt operations authorized by
13 the Second Liberty Bond Act, as amended (31 U. S. C.
14 760-762), and with the administration of any public debt
15 or currency issues of the United States with which the Secre-
16 tary of the Treasury is charged, \$64,800,000, to be expended
17 as the Secretary of the Treasury may direct: *Provided*,
18 That from the amount appropriated herein, the Federal
19 Reserve banks and their branches may be reimbursed for
20 expenditures made by them as fiscal agents of the United
21 States on account of public-debt transactions for the account
22 of the Secretary of the Treasury, and advances to the Post-
23 master General may be made in accordance with the pro-
24 visions of section 22 (c) of the Second Liberty Bond Act,

1 as amended (31 U. S. C. 757c (e)), which section shall
2 be construed as applying to this appropriation: *Provided*
3 *further*, That the indefinite appropriation provided by sec-
4 tion 10 of the Second Liberty Bond Act, as amended, shall
5 not be available for obligation during the fiscal year 1948.

6 Distinctive paper for United States currency: For dis-
7 tinctive paper for United States currency, including trans-
8 portation of paper, traveling, mill, and other necessary ex-
9 penses, and salaries of employees and allowance, in lieu
10 of expenses, of officer or officers detailed from the Treasury
11 Department, not exceeding \$50 per month each when ac-
12 tually on duty, \$1,113,000: *Provided*, That in order to foster
13 competition in the manufacture of distinctive paper for
14 United States securities, the Secretary of the Treasury is
15 authorized, in his discretion, to split the award for such
16 paper for the fiscal year 1948 between the two bidders whose
17 prices per pound are the lowest received after advertisement.

18 OFFICE OF THE TREASURER OF THE UNITED STATES

19 Salaries and expenses: For necessary expenses of the
20 Office of the Treasurer, \$4,900,000: *Provided*, That with
21 the approval of the Bureau of the Budget, there may be
22 transferred to this appropriation and to the appropriation
23 "Printing and binding, Office of the Treasurer", from
24 Railroad Retirement Board, "Conservation and use of
25 agricultural land resources, Department of Agriculture," and

1 from available corporate funds of Government owned or con-
2 trolled corporations, such sums as may be necessary to cover
3 the expenses incurred in the clearing of checks, servicing of
4 bonds, handling of collections, and rendering of accounts
5 therefor.

6 Printing and binding: For printing and binding for
7 the Office of the Treasurer, \$140,000.

8 BUREAU OF CUSTOMS

9 Salaries and expenses: For collecting the revenue from
10 customs, for enforcement, under section 102, Reorganization
11 Plan No. III of 1946, of certain navigation laws, for the
12 detection and prevention of frauds upon the customs revenue,
13 and not to exceed \$100,000 for the securing of evidence of
14 violations of the customs and navigation laws; for expenses
15 of transportation and transfer of customs receipts from points
16 where there are no Government depositories; not to exceed
17 \$500 for subscriptions to newspapers; not to exceed \$85,000
18 for stationery; not to exceed \$12,000 for improving, repair-
19 ing, maintaining, or preserving buildings, inspection stations,
20 office quarters, including living quarters for officers, sheds,
21 and sites along the Canadian and Mexican borders acquired
22 under authority of the Act of June 26, 1930 (19 U. S. C.
23 68) ; and for the purchase of one hundred and fifty passenger
24 motor vehicles; for the cost of seizure, storage, and disposition

1 of any merchandise, vehicle and team, automobile, boat, air
 2 or water craft, or any other conveyance seized under the
 3 provisions of the customs laws; for the purchase of arms,
 4 ammunition, and accessories; not to exceed ~~(4)\$826,000~~
 5 \$832,438 for personal services in the District of Columbia
 6 exclusive of ten persons from the field force authorized to
 7 be detailed under section 525 of the Tariff Act of 1930;
 8 ~~(5)\$32,500,000~~ \$34,000,000, of which \$300,000 shall con-
 9 stitute an advance fund to enable the Bureau of Customs to
 10 meet obligations incurred by it arising from services rendered
 11 to private interests, pending receipt of reimbursements there-
 12 from, which amount shall be returned to the Treasury not
 13 later than six months after the close of the fiscal year 1948
 14 ~~(6)~~, and of which not to exceed \$100,000 shall be available
 15 for defraying, on a contract basis or otherwise, the expense of
 16 a management study of the Bureau of Customs.

17 Printing and binding: For printing and binding, Bureau
 18 of Customs, including the cost of transportation to field offices
 19 of printed and bound material and the cost of necessary
 20 packing boxes and packing materials, \$95,000.

21 Refunds and draw-backs: For the refund or payment of
 22 customs collections or receipts, and for the payment of de-
 23 bentures or draw-backs, bounties, and allowances, as author-
 24 ized by law, \$15,000,000.

BUREAU OF INTERNAL REVENUE

Salaries and expenses: For necessary expenses in connection with the assessment and collection of internal-revenue taxes and the administration of the internal-revenue laws, including the administration of such provisions of other laws as are authorized by or pursuant to law to be administered by or under the direction of the Commissioner of Internal Revenue, including one stamp agent (to be reimbursed by the stamp manufacturers) and the employment of experts; the securing of evidence of violations of the Acts, the cost of chemical analyses made by others than employees of the United States and expenses incident to such chemists testifying when necessary; necessary expenses incurred in making investigations in connection with the enrollment or disbarment of practitioners before the Treasury Department in internal-revenue matters, expenses of seizure and sale, and contract stenographic reporting services; for the acquisition of property under the provisions of title III of the Liquor Law Repeal and Enforcement Act, approved August 27, 1935 (49 Stat. 872-881), and the operation, maintenance, and repair of property acquired under such title III; purchase (not to exceed thirty-four) and hire of passenger motor vehicle; printing and binding (not to exceed (7)\$2,480,000 \$2,530,000) ; stationery (not to exceed (8)\$1,425,-

1 ~~000~~ \$1,500,000) , and ammunition, ~~(9)\$178,000,000~~ \$203,-
 2 000,000, of which amount not to exceed \$16,530,000 may be
 3 expended for personal services in the District of Columbia
 4 and not to exceed \$100,000 for detecting and bringing to
 5 trial persons guilty of violating the internal-revenue laws or
 6 conniving at the same, including payments for information
 7 and detection of such violation.

8 Additional income tax on railroads in Alaska: For the
 9 payment to the Treasurer of Alaska of an amount equal to
 10 the tax of 1 per centum collected on the gross annual income
 11 of all railroad corporations doing business in Alaska, on busi-
 12 ness done in Alaska, which tax is in addition to the normal
 13 income tax collected from such corporations on net income,
 14 the amount of such additional tax to be applicable to general
 15 Territorial purposes, \$3,500.

16 Refunding internal-revenue collections: For refunding
 17 internal-revenue collections, as provided by law, including the
 18 payment of claims for the prior fiscal years and payment of
 19 accounts arising under "Allowance or draw-back (Internal
 20 Revenue) ", "Redemption of stamps (Internal Revenue) ",
 21 "Refunding legacy taxes, Act of March 30, 1928", "Repay-
 22 ment of taxes on distilled spirits destroyed by casualty", and
 23 "Refunds and payments of processing and related taxes",
 24 \$1,231,000,000: *Provided*, That a report shall be made to
 25 Congress by internal-revenue districts and alphabetically

1 arranged of all disbursements hereunder in excess of \$500 as
2 required by section 3 of the Act of May 29, 1928 (sec. 3776,
3 I. R. C.), including the names of all persons and corpora-
4 tions to whom such payments are made, together with the
5 amount paid to each.

6 BUREAU OF NARCOTICS

7 Salaries and expenses: For expenses, including the
8 securing of information and evidence, necessary to enforce
9 sections 2550-2565; 2567-2571; 2590-2603; 3220-3228;
10 3230-3238 of the Internal Revenue Code; the Narcotic
11 Drugs Import and Export Act, as amended (21 U. S. C.
12 171-184) ; the Act of June 14, 1930 (5 U. S. C. 282-282c
13 and 21 U. S. C. 197-198) and the Opium Poppy Control
14 Act of 1942 (21 U. S. C. Supp. V, 188-188n),
15 including the employment of attorneys; services as authorized
16 by section 15 of the Act of August 2, 1946 (Public Law
17 600) ; the costs of chemical analyses made by others than
18 employees of the United States; cost incurred by officers and
19 employees of the Bureau of Narcotics in the seizure, forfei-
20 ture, storage, and disposition of property under the Act of
21 August 9, 1939 (49 U. S. C. 781-788), and the internal-
22 revenue laws; hire of motor vehicles; purchase of arms and
23 ammunition; in all, \$1,430,000, of which amount not to
24 exceed \$224,000 may be expended for personal services in
25 the District of Columbia; not exceeding \$10,000 for the

1 collection and dissemination of information and appeal for
2 law observance and law enforcement, including cost of
3 printing, and not exceeding \$10,000 for services or informa-
4 tion looking toward the apprehension of narcotic law violators
5 who are fugitives from justice.

6 Printing and binding: For printing and binding for the
7 Bureau, \$4,000.

8 BUREAU OF ENGRAVING AND PRINTING

9 For the work of engraving and printing, exclusive of
10 repay work United States currency and internal-revenue
11 stamps, including opium orders and special-tax stamps re-
12 quired under the Act of December 17, 1914 (26 U. S. C.
13 1040, 1383), checks, drafts, and miscellaneous work, as
14 follows:

15 Salaries and expenses: For the Director, two Assistant
16 Directors, and other personal services in the District of
17 Columbia, including wages of rotary press plate printers at
18 per diem rates and all other plate printers at piece rates to
19 be fixed by the Secretary of the Treasury, not to exceed the
20 rates usually paid for such work; and other necessary ex-
21 penses, including engravers' and printers' materials and other
22 materials, including distinctive and nondistinctive paper,
23 except distinctive paper for United States currency and
24 Federal Reserve bank currency; purchase of card and con-
25 tinuous form checks; equipment of, repairs to, and mainte-

1 nance of buildings and grounds and minor alterations to
2 buildings; periodicals, examples of engraving and printing,
3 including foreign securities and stamps, and books of refer-
4 ence, not to exceed \$500; traveling expenses not to exceed
5 \$15,000; transfer to the Bureau of Standards for scientific
6 investigations in connection with the work of the Bureau
7 of Engraving and Printing, not to exceed \$15,000;
8 \$12,000,000, to be expended under the direction of the
9 Secretary of the Treasury.

10 Printing and binding: For printing and binding for the
11 Bureau of Engraving and Printing, \$5,000.

12 During the fiscal year 1948 all proceeds derived
13 from work performed by the Bureau of Engraving and Print-
14 ing, by direction of the Secretary of the Treasury, not covered
15 and embraced in the appropriations for such Bureau for such
16 fiscal year, instead of being covered into the Treasury as
17 miscellaneous receipts, as provided by the Act of August 4,
18 1886 (31 U. S. C. 176), shall be credited when received
19 to the appropriations for such Bureau for the fiscal year
20 1948.

21 SECRET SERVICE DIVISION

22 Salaries: For personal services in the District of Colum-
23 bia, \$85,000.

24 Suppressing counterfeiting and other crimes: For neces-
25 sary expenses in detecting, arresting, and delivering into the

1 custody of the United States marshal or other officer having
2 jurisdiction, dealers and pretended dealers in counterfeit
3 money, persons engaged in counterfeiting, forging, and
4 altering United States notes, bonds, national bank notes,
5 Federal Reserve notes, Federal Reserve bank notes, and
6 other obligations and securities of the United States and
7 of foreign governments (including endorsements thereon and
8 assignments thereof), as well as the coins of the United
9 States and of foreign governments, and persons com-
10 mitting other crimes against the laws of the United States
11 relating to the Treasury Department and the several branches
12 of the public service under its control; purchase of seventy-
13 five and hire of motor passenger vehicles; purchase of arms
14 and ammunition; and for the protection of the person of the
15 President and the members of his immediate family and of
16 the person chosen to be President of the United (10)States;
17 States: \$1,550,000: *Provided*, That of the amount herein
18 appropriated not to exceed \$15,000 may be expended for
19 the purpose of securing information concerning violations of
20 the laws relating to the Treasury Department, and for
21 services or information looking toward the apprehension of
22 criminals, and all vouchers claiming reimbursement from
23 such amount of \$15,000 shall have the approval of the
24 Chief of the Secret Service before payment.

1 White House Police: For salaries of the White House
 2 Police as authorized by law (3 U. S. C. 62), ~~(11)~~ ~~\$270,000~~
 3 ~~\$372,900~~.

4 For uniforming and equipping the White House Police,
 5 including the purchase, issue, and repair of revolvers, and
 6 the purchase and issue of ammunition and miscellaneous
 7 supplies, to be procured in such manner as the President may
 8 determine ~~(12)~~ ~~\$6,000~~ \$9,000.

9 Salaries and expenses, guard force, Treasury buildings:
 10 For expenses of the guard force for Treasury Department
 11 buildings in the District of Columbia, including the Bureau
 12 of Engraving and Printing, and elsewhere, including pur-
 13 chase, repair, and cleaning of uniforms, purchase of two
 14 passenger motor vehicles, and the purchase of arms and
 15 ammunition and miscellaneous equipment, \$720,000: *Pro-*
 16 *vided*, That not to exceed \$168,925 of the appropriation
 17 "Salaries and expenses, Bureau of Engraving and Print-
 18 ing", may be transferred to this appropriation to cover serv-
 19 ice rendered such Bureau in connection with the protection
 20 of currency, bonds, stamps, and other papers of value the cost
 21 of producing which is not covered and embraced in the direct
 22 appropriations for such Bureau: *Provided further*, That the
 23 Secretary of the Treasury may detail two agents of the Secret
 24 Service to supervise such force.

1 Printing and binding: For printing and binding for the
2 Secret Service Division, \$8,000.

3 Reimbursement to District of Columbia, benefit pay-
4 ments to White House Police and Secret Service forces: For
5 reimbursement to the District of Columbia on a monthly basis
6 for benefit payments made from the revenues of the District
7 of Columbia to members of the White House Police force
8 and such members of the United States Secret Service Divi-
9 sion as are entitled thereto under the Act of October 14,
10 1940 (54 Stat. 1118), to the extent that such benefit pay-
11 ments are in excess of the salary deductions of such members
12 credited to said revenues of the District of Columbia during
13 the fiscal year 1948, pursuant to section 12 of the Act
14 of September 1, 1916 (39 Stat. 718), as amended, \$68,500.

15 BUREAU OF THE MINT

16 Office of the Director: For personal services in
17 the District of Columbia and for assay laboratory chem-
18 icals, fuel, materials, balances, weights, specimens of
19 coins, ores, and travel and other expenses incident to
20 the examination of mints, visiting mints for the purpose
21 of superintending the annual settlement, and for the collec-
22 tion of statistics relative to the annual production and con-
23 sumption of the precious metals in the United States,
24 \$185,000.

25 Transportation of bullion and coin: For transportation

1 of bullion and coin, between mints, assay offices, and bullion
2 depositories, \$22,500, including compensation of temporary
3 employees and other necessary expenses.

4 Mints and assay offices: For necessary expenses at the
5 mints at Philadelphia, Pennsylvania; San Francisco, Cali-
6 fornia; and Denver, Colorado; the assay offices at New York,
7 New York; and Seattle, Washington, and the bullion deposi-
8 tories at Fort Knox, Kentucky; and West Point, New York,
9 and for carrying out the provisions of the Gold Reserve
10 Act of 1934 and the Silver Purchase Act of 1934, including
11 new machinery and repairs, arms and ammunition, purchase
12 and maintenance of uniforms and accessories for guards, pro-
13 tective devices, and their maintenance, training of employees
14 in use of fire arms and protective devices, purchase of a sta-
15 tion wagon, cases and enameling for medals manufactured, net
16 wastage in melting and refining and in coining departments,
17 loss on sale of sweeps arising from the treatment of bullion and
18 the manufacture of coins, not to exceed \$1,000 for the expen-
19 ses of the annual assay commission, and not exceeding \$1,000
20 for the acquisition, at the dollar face amount or otherwise, of
21 specimen and rare coins, including United States and foreign
22 gold coins and pieces of gold used as, or in lieu of, money,
23 and ores, for addition to the Government's collection of such
24 coins, pieces, and ores; \$6,250,000.

1 Printing and binding: For printing and binding for the
2 Bureau of the Mint, \$10,000.

3 BUREAU OF FEDERAL SUPPLY

4 Salaries and expenses: For necessary expenses, includ-
5 ing personal services in the District of Columbia and in the
6 field service, office supplies and materials, stationery, fuel,
7 light, electric current, and other expenses for carrying into
8 effect regulations governing the procurement, warehousing,
9 and distribution by the Bureau of Federal Supply of the
10 Treasury Department of property, equipment, stores, and
11 supplies in the District of Columbia and in the field, \$1,-
12 310,000: *Provided*, That the Secretary of the Treasury is
13 authorized and directed to transfer to this appropriation
14 from any appropriations or funds available to the several
15 departments and establishments of the Government such
16 amounts as may be approved by the Bureau of the Budget,
17 not to exceed the sum of (a) the amount of the annual com-
18 pensation of employees who may be transferred or detailed
19 to the Bureau of Federal Supply, respectively, from any such
20 department or establishment, where the transfer or detail of
21 such employee is incident to a transfer of a function or
22 functions to that Bureau and (b) such amount as the Bureau
23 of the Budget may determine to be necessary for expenses
24 other than personal services incident to the proper carrying
25 out of functions so transferred: *Provided further*, That when

1 there has been or shall be transferred from any agency of
2 the Government to the Bureau of Federal Supply any func-
3 tion of warehousing, and the agency from which such
4 function is being transferred is authorized at the time of
5 such transfer to perform functions of procurement, ware-
6 housing, or distribution of property, equipment, stores, or
7 supplies for non-Federal agencies the Bureau of Federal
8 Supply is authorized to continue the performance of such
9 functions for such non-Federal agencies where such functions
10 are to be discontinued by the agency from which the ware-
11 housing function has been transferred, and the receipts, in-
12 cluding surcharge, for all issues to and all advances by all
13 non-Federal agencies shall be credited to the general supply
14 fund: *Provided further*, That payments to the general sup-
15 ply fund for materials, and supplies (including fuel), and
16 services, and overhead expenses for all issues shall be made
17 on the books of the Treasury Department by transfer and
18 counterwarrants prepared by the Bureau of Federal Supply
19 of the Treasury Department and countersigned by the
20 Comptroller General, such warrants to be based solely on
21 itemized invoices prepared by the Bureau of Federal Supply
22 at issue prices to be fixed by the Director of Federal Supply.
23 *Provided further*, That payments covering transactions be-
24 tween the Bureau of Federal Supply and field offices of
25 other Government agencies whose detailed appropriation

1 or fund accounts are maintained elsewhere than within the
2 District of Columbia, may be made on the basis of itemized
3 vouchers or invoices prepared by the Bureau of Federal
4 Supply and sent through the appropriate field offices to the
5 disbursing officers for the agencies involved, who are hereby
6 authorized to make payment based (1) upon certification
7 of the Bureau of Federal Supply, which shall include the
8 specific statement that the vouchers are issued pursuant to
9 and in conformity with purchase orders or requisitions duly
10 executed by the agency billed, and (2) upon approval and
11 certification of such vouchers by the agency billed, which
12 action shall be based upon acceptance of the Bureau of Fed-
13 eral Supply certification as made, subject to later adjustment
14 if necessary, the responsibility of the certifying officer to be
15 limited to the availability of the funds to be charged: *Pro-*
16 *vided further*, That the general supply fund may be used to
17 purchase from or through the Public Printer standard forms
18 and blank-book work for field warehouse stocking and issue,
19 but issues thereof shall be made only to Government agencies
20 and shall be chargeable to applicable appropriation authori-
21 zations or limitations of such agencies for printing and bind-
22 ing, and reports of such issues shall be made as the Public
23 Printer may require: *Provided further*, That advances re-
24 ceived pursuant to law (31 U. S. C. 686) from departments
25 and establishments of the United States Government and the

1 government of the District of Columbia during the fiscal year
2 1948 shall be credited to the general supply fund: *Provided*
3 *further*, That during the fiscal year 1948 there shall be available
4 from the general supply fund for personal services in the District
5 of Columbia not to exceed \$1,520,000: *Provided further*,
6 That per diem employees engaged in work in connection
7 with operations of the fuel yards may be paid rates of pay
8 approved by the Secretary of the Treasury not exceeding
9 current rates for similar services in the District of Columbia:
10 *Provided further*, That the term "fuel" shall be held to
11 include "fuel oil": *Provided further*, That the reconditioning
12 and repair of surplus property and equipment for disposition
13 or reissue to Government service, may be made at cost
14 by the Bureau of Federal Supply, payment therefor to be
15 effected by charging the proper appropriation and crediting
16 the general supply fund.

17 Repairs to typewriting machines (except bookkeeping
18 and billing machines) in the Government service in the
19 District of Columbia and areas adjacent thereto may be made
20 at cost by the Bureau of Federal Supply, payment therefor
21 to be effected by charging the proper appropriation and
22 crediting the general supply fund.

23 ~~(13) No part of any money appropriated by this or any other~~
24 ~~Act shall be used during the fiscal year 1948 for~~
25 ~~the purchase, within the continental limits of the United~~

1 States, of any standard typewriting machines (except book-
 2 keeping, billing, and electric machines) at a price in excess
 3 of the following for models with carriages which will accom-
 4 modate paper of the following widths, to wit: Ten inches
 5 (correspondence models), \$77; twelve inches, \$82.50; four-
 6 teen inches, \$85.25; sixteen inches, \$90.75; eighteen inches,
 7 \$96.25; twenty inches, \$103.40; twenty-two inches,
 8 \$104.50; twenty-four inches, \$107.25; twenty-six inches,
 9 \$113.85; twenty-eight inches, \$114.40; thirty inches,
 10 \$115.50; thirty-two inches, \$118.25; or, for standard type-
 11 writing machines distinctively quiet in operation, the maxi-
 12 mum prices shall be as follows for models with carriages
 13 which will accommodate paper of the following widths, to
 14 wit: Ten inches, \$88; twelve inches, \$93.50; fourteen
 15 inches, \$99; eighteen inches, \$104.50: *Provided*, That there
 16 may be added to such prices the amount of Federal excise
 17 taxes paid or payable with respect to any such machines.

18 *No part of any money appropriated by this or any other*
 19 *Act shall be used during the fiscal year 1948 for the purchase,*
 20 *within the continental limits of the United States, of any*
 21 *standard typewriting machines (except bookkeeping, billing,*
 22 *and electrical machines) at a price in excess of 70 per centum*
 23 *of the commercial list price in effect at time of delivery for*
 24 *the various models and carriage widths purchased.*

25 Printing and binding: For printing and binding for the

1 Bureau of Federal Supply, including printed forms and
 2 miscellaneous items for general use of the Treasury Depart-
 3 ment, the cost of transportation to field offices of printed and
 4 bound material and the cost of necessary packing boxes and
 5 packing materials, \$170,000, together with not to exceed
 6 \$4,000 to be transferred from the general supply fund,
 7 Treasury Department.

8 COAST GUARD

9 For all salaries and expenses of the Coast Guard,
 10 (14) ~~\$97,000,000~~ \$109,483,123: *Provided*, That no part of
 11 this appropriation shall be used to pay any enlisted man of the
 12 Coast Guard while detailed for duty at Coast Guard head-
 13 quarters if such detail increases above thirty the total number
 14 of enlisted men detailed to such duty at any time: *Provided*
 15 *further*, That no part of this appropriation shall be used for
 16 increased pay for making aerial flights by nonflying officers
 17 or observers at rates in excess of those prescribed by law
 18 for the Army, which shall be the legal maximum rates as to
 19 such nonflying officers or observers: *Provided further*, That
 20 expenditures out of the foregoing appropriation shall not
 21 exceed the limitations set forth in the following categories,
 22 namely:

23 Office of Commandant: For personal services at the seat
 24 of government, not to exceed \$2,000,000;

1 Pay and allowances: For pay and allowances prescribed
2 by law for commissioned officers, cadets, warrant officers,
3 petty officers, and other enlisted personnel, active and retired,
4 temporary cooks, surfmen, substitute surfmen, and six civilian
5 instructors; retired pay for certain members of the former
6 Life-Saving Service authorized by the Act approved April
7 14, 1930 (14 U. S. C. 178a) ; not exceeding \$10,000 for
8 cash prizes for men for excellence in boatmanship, gunnery,
9 target practice, and engineering competitions; transportation
10 of dependents of Coast Guard personnel on active duty and
11 retired and Reserve officers and of retired and Reserve en-
12 listed personnel, of grades entitled to transportation of de-
13 pendents in the Regular Coast Guard, when ordered to active
14 duty (other than training) and upon relief therefrom; carry-
15 ing out the provisions of the Act of June 4, 1920 (34 U. S.
16 C. 943) ; not to exceed \$20,000 for cost of special
17 instruction, including books, laboratory equipment and fees,
18 school supplies, and maintenance of students; motion-
19 picture and other equipment for instructional purposes;
20 rations or commutation thereof for cadets, petty officers,
21 other enlisted personnel, and members of the Coast
22 Guard Auxiliary when assigned specific duties under the pro-
23 visions of section 8, Act of February 19, 1941, as amended
24 (14 U. S. C. 267) , mileage and expenses allowed by law
25 for officers, including per diem rates of allowance, and the

1 Secretary is hereby authorized to prescribe per diem rates of
2 allowance for Public Health Service officers detailed to the
3 Coast Guard as authorized for Coast Guard officers; actual
4 and necessary expenses or per diem in lieu thereof as the
5 Secretary may determine and approve for Coast Guard per-
6 sonnel on special duty in foreign countries; traveling expenses
7 of other persons traveling on duty under orders from the
8 Treasury Department, including transportation of cadets,
9 enlisted personnel, and applicants for enlistment, with sub-
10 sistence and transfers en route, or cash in lieu thereof; trans-
11 portation in kind and subsistence to discharged cadets;
12 uniform clothing for enlisted men as provided by law
13 (14 U. S. C. 13); clothing for enlisted personnel au-
14 thorized by law; civilian clothing, including an overcoat
15 when necessary, the cost of all not to exceed \$30 per person
16 to enlisted personnel given discharges for bad conduct, un-
17 desirability, unsuitability, or inaptitude; reimbursement in
18 kind or in cash as authorized by law to persons in the Coast
19 Guard for personal property lost, destroyed, or damaged;
20 actual expenses of officers and cadets and quarters and sub-
21 sistence of enlisted personnel on shore patrol, emergency
22 shore detail and other detached duty, or cash in lieu thereof;
23 hire of quarters for officers serving with troops where suf-
24 ficient quarters are not possessed by the United States to
25 accommodate them; hire of quarters for Coast Guard per-

1 sonnel comparable to quarters assignable on a capital ship of
2 the Navy, as authorized by the Secretary to meet emergency
3 conditions, including officers and men on sea duty at such
4 times as they may be deprived of their quarters on board ship
5 due to repairs or other conditions which may render them
6 uninhabitable: *Provided*, That under this authorization no
7 funds may be expended for the hire of quarters for occupancy
8 by the dependents of officers or enlisted personnel; expenses
9 of recruiting for the Coast Guard; advertising for and ob-
10 taining enlisted personnel and applicants for appointment as
11 cadets; training of enlisted personnel, including textbooks,
12 school supplies, and correspondence courses; transfer of
13 household goods and effects of Coast Guard and Coast Guard
14 Reserve personnel on active duty and when ordered to active
15 duty and upon relief therefrom, and the transfer of household
16 goods and effects of deceased Coast Guard and Coast Guard
17 Reserve personnel who die while on active duty, as prescribed
18 by law and regulations; transportation on Government-owned
19 vessels of privately owned automobiles of Coast Guard per-
20 sonnel upon change of station; purchase of provisions for sale
21 to Coast Guard personnel at isolated stations, and the appro-
22 priation reimbursed; and including not to exceed \$50,000
23 for recreation, amusement, comfort, contentment, and health
24 of the enlisted personnel of the Coast Guard, to be expended
25 pursuant to regulations prescribed by the Secretary; appre-

1 hension and delivery of deserters and stragglers; in all, not
 2 to exceed ~~(15)\$70,000,000~~ \$77,153,271: *Provided*, That
 3 money accruing from commutation of rations of enlisted per-
 4 sonnel commuted for the benefit of any mess may be paid on
 5 proper voucher to the officer in charge of such mess: *Provided*
 6 *further*, That whenever commissioned officers of the Coast
 7 Guard, who were civilian employees of the former Bureau of
 8 Marine Inspection and Navigation, resume their status as
 9 civilian employees of the Coast Guard, or whenever civilian
 10 employees of the Coast Guard, who were employed in the
 11 former Bureau of Marine Inspection and Navigation, are
 12 commissioned as officers of the Coast Guard, the limitation
 13 provided for "Civilian Employees, Coast Guard" ~~(16)~~and
 14 "*Office of the Commandant*" may be exceeded, with the
 15 approval of the Bureau of the Budget, by the amount of
 16 their pay as civilian employees and the limitation provided
 17 for "Pay and allowances" reduced in a like amount or vice
 18 versa, as the case may be;

19 General expenses, Coast Guard: For expenses necessary
 20 for the operation and maintenance of the Coast Guard
 21 ashore and afloat, except as specifically provided for in
 22 other appropriations, including personal services at the seat
 23 of government and elsewhere; contract stenographic report-
 24 ing services, pursuant to section 15 of the Act of August 2,

1 1946 (Public Law 600) ; printing and binding; purchase of
2 fifty-eight passenger motor vehicles and maintenance, opera-
3 tion, and repair of aircraft; improvement of property for Coast
4 Guard purposes, including rental, purchase, or use of addi-
5 tional land where necessary and the purchase of land for
6 beacons, daymarks, and fog signals; rations and provisions, or
7 commutation thereof, for working parties in the field, officers
8 and crews of light vessels and tenders, and officials and other
9 authorized persons of the Coast Guard on duty on board
10 such tenders or vessels, but money accruing from commuta-
11 tion of rations and provisions for the above-named persons on
12 board tenders and light vessels or in working parties in the
13 field may be paid on proper voucher to the person having
14 charge of the mess of such vessel or party; subsistence and
15 clothing for shipwrecked and destitute persons, including
16 reimbursement, under rules prescribed by the Secretary, of
17 Coast Guard personnel who furnish from their personal
18 stock subsistence and clothing to such persons; for payment
19 of claims authorized under section 1 of Public Law 277,
20 Seventy-ninth Congress, as amended by Public Law 327,
21 Seventy-ninth Congress; not to exceed \$2,500 for contingen-
22 cies for the Superintendent, United States Coast Guard
23 Academy, to be expended in his discretion; payment of
24 rewards for the apprehension and conviction, or for informa-
25 tion helpful therein, of persons found interfering in violation

1 of law with aids to navigation maintained by the Coast
2 Guard; in all, not to exceed \$29,700,000: *Provided*, That
3 the number of aircraft on hand at any one time shall not
4 exceed one hundred and ten exclusive of planes and parts
5 stored to meet future attrition;

6 Civilian employees, Coast Guard: For compensation of
7 civilian employees in the field, including per diem labor,
8 but excluding personnel provided for in the appropriation
9 "General expenses, Coast Guard", not to exceed \$3,600,000;

10 Establishing and improving aids to navigation: For
11 establishing and improving aids to navigation and other
12 works, and for expenditures directly relating thereto, not to
13 exceed \$2,300,000;

14 Acquisition of aircraft, vessels and shore facilities: For
15 the purchase or construction of additional and replacement
16 vessels and their equipment; the purchase of aircraft and
17 their equipment; and the construction, rebuilding, or extension of shore facilities, including the acquisition of sites and
18 improvements thereon when specifically approved by the
19 Secretary, and rental of shore facilities for temporary use;
20 in all, not to exceed \$2,300,000: *Provided*, That not to
21 exceed 4 per centum of the amount of this limitation shall
22 be available for administrative expenses in connection there-
23 with, including personal services at the seat of government;

24 Retired pay, former Lighthouse Service, Coast Guard:
25

1 For retired pay of certain officers and employees entitled
2 thereto by virtue of former employment in the Lighthouse
3 Service engaged in the field service or on vessels of the
4 Coast Guard, except persons continuously employed in
5 district offices and shops, not to exceed \$1,000,000.

6 No part of any appropriation or authorization in this
7 Act shall be used to pay any part of the salary or expenses
8 of any person whose salary or expenses are prohibited from
9 being paid from any appropriation or authorization in any
10 other Act.

11 **(17)***The Joint Committee on Internal Revenue Taxation is*
12 *authorized and directed to make a study of the enforcement*
13 *of the internal-revenue laws with a view to ascertaining the*
14 *numbers of deputy collectors, revenue agents, and other per-*
15 *sonnel, who should be employed by the Bureau of Internal*
16 *Revenue in order to insure the maximum net return to the*
17 *United States from taxes imposed by such laws, and to report*
18 *the results of such study to the Senate and the House of*
19 *Representatives.*

20 This title may be cited as the "Treasury Department
21 Appropriation Act, 1948".

22 TITLE II—POST OFFICE DEPARTMENT

23 The following sums are appropriated in conformity with
24 5 United States Code 361, 380; 39 United States Code 786,

1 for the Post Office Department for the fiscal year ending
 2 June 30, 1948, namely:

3 POST OFFICE DEPARTMENT, WASHINGTON, DISTRICT OF
 4 COLUMBIA

5 OFFICE OF THE POSTMASTER GENERAL

6 Salaries: For the Postmaster General and other per-
 7 sonal services in the office of the Postmaster General in
 8 the District of Columbia, including a health program for the
 9 Department in Washington as authorized by the Act of
 10 August 8, 1946 (Public Law 658), ~~(18)\$375,000~~
 11 ~~\$390,000~~.

12 SALARIES IN BUREAUS AND OFFICES

13 For personal services in the District of Columbia in
 14 bureaus and offices of the Post Office Department in not to
 15 exceed the following amounts, respectively:

16 Office of Budget and Administrative Planning,
 17 \$59,500.

18 Office of the First Assistant Postmaster General,
 19 ~~(19)\$1,400,000~~ \$1,130,000.

20 Office of the Second Assistant Postmaster General,
 21 ~~(20)\$900,000~~ \$920,000.

22 Office of the Third Assistant Postmaster General,
 23 ~~(21)\$1,325,000~~ \$1,340,000.

24 Office of the Fourth Assistant Postmaster General,
 25 ~~(22)\$700,000~~ \$725,000.

1 Office of the Solicitor for the Post Office Department,
2 \$250,000.

3 Office of the chief inspector, \$400,000.

4 Office of the purchasing agent, ~~(23)\$78,000~~ \$83,800.

5 Bureau of Accounts, \$500,000.

6 CONTINGENT EXPENSES, POST OFFICE DEPARTMENT

7 For necessary, contingent and miscellaneous expenses
8 not otherwise provided for; purchase of one passenger motor
9 vehicle (not exceeding \$3,000) ; purchase and exchange of
10 lawbooks and books of reference; newspapers; and travel
11 expenses of the purchasing agent and of the Solicitor and
12 attorneys connected with his office, not exceeding \$1,900;
13 \$145,000.

14 For printing and binding for the Post Office Depart-
15 ment and Postal Service, ~~(24)\$1,500,000~~ \$1,700,000.

16 Appropriations hereinafter made for the field service of
17 the Post Office Department, except as otherwise provided,
18 shall not be expended for any of the purposes hereinbefore
19 provided for on account of the Post Office Department in the
20 District of Columbia: *Provided*, That necessary expenses of
21 officials and employees of the Post Office Department and
22 Postal Service, when traveling on official business, may be
23 paid from the appropriations for the service in connection with
24 which the travel is performed: *Provided further*, That appro-
25 priations hereinafter made, except such as are exclusively for

1 payment of compensation, shall be available for expenses in
2 connection with the examination of estimates for appropria-
3 tions in the field including per diem allowances in lieu of
4 actual expenses of subsistence.

5 FIELD SERVICE, POST OFFICE DEPARTMENT

6 OFFICE OF THE POSTMASTER GENERAL

7 Travel expenses, Postmaster General and Assistant
8 Postmasters General: For travel and miscellaneous expenses
9 in the Postal Service, offices of the Postmaster General and
10 Assistant Postmasters General, \$3,000.

11 Damage claims: For the payment of claims for damages
12 to persons or property occurring in the fiscal year 1948, or in
13 prior fiscal years, determined and settled pursuant to the
14 Federal Tort Claims Act, approved August 2, 1946 (Public
15 Law 601), and in accordance with the provisions of the
16 Deficiency Appropriation Act, approved June 16, 1921
17 (5 U. S. C. 392), as amended by the Act approved June
18 22, 1934 (31 U. S. C. 224c), \$230,000.

19 Adjusted losses and contingencies: To pay to postmasters,
20 Navy mail clerks, and assistant Navy mail clerks, Coast
21 Guard mail clerks, Assistant Coast Guard mail clerks, Army
22 mail clerks, and assistant Army mail clerks, or credit them
23 with the amount ascertained to have been lost or destroyed
24 during the fiscal year 1948, or prior fiscal years, through
25 unavoidable casualty resulting from no fault or negligence

1 on their part, as authorized by the Act approved March 17,
2 1882, as amended by the Act approved December 7, 1945
3 (39 U. S. C. 49), \$75,000.

4 OFFICE OF CHIEF INSPECTOR

5 Salaries of inspectors: For salaries of fifteen inspectors
6 in charge of divisions and eight hundred inspectors,
7 \$4,300,000.

8 Travel and miscellaneous expenses: For necessary travel
9 and miscellaneous expenses incurred in the operation of the
10 Post Office Inspection Service, not to exceed \$27,600 for
11 chemical and other investigations, and not to exceed \$500
12 for books of reference, \$960,000.

13 Clerks: For compensation of not exceeding three hun-
14 dred and eighty-nine clerks in the Post Office Inspection
15 Service, \$1,178,000.

16 Payment of rewards: For payment of rewards for the
17 detection, arrest, and conviction of post-office burglars, rob-
18 bers, highway mail robbers, and persons mailing or causing
19 to be mailed any bomb, infernal machine, or mechanical,
20 chemical, or other device or composition which may ignite,
21 or explode, fiscal year 1948 and prior years, \$55,000:
22 *Provided*, That rewards may be paid in the discretion of
23 the Postmaster General, when an offender of the classes
24 mentioned was killed in the act of committing the crime
25 or in resisting lawful arrest: *Provided further*, That no part

1 of this sum shall be used to pay any rewards at rates in
2 excess of those specified in Post Office Department Order
3 28673, dated July 28, 1945: *Provided further*, That of the
4 amount herein appropriated not to exceed \$20,000 may be
5 expended in the discretion of the Postmaster General, for
6 the purpose of securing information concerning violations of
7 the postal laws and for services and information looking
8 toward the apprehension of criminals.

9 OFFICE OF THE FIRST ASSISTANT POSTMASTER GENERAL

10 Compensation to postmasters: For compensation to post-
11 masters, including compensation as postmaster to persons
12 who, pending the designation of an acting postmaster, assume
13 and perform the duties of postmaster in the event of a
14 vacancy in the office of postmaster of the third or fourth
15 class, and for allowances for rent, light, fuel, and equipment
16 to postmasters of the fourth class, \$87,470,000.

17 Compensation to assistant postmasters: For compensa-
18 tion to assistant postmasters at first- and second-class post
19 offices, \$12,800,000.

20 Clerks, first- and second-class post offices: For compen-
21 sation to clerks and employees at first- and second-class post
22 offices, including auxiliary clerk hire at summer and winter
23 post offices, printers, mechanics, skilled laborers, watchmen,
24 messengers, mail handlers, and substitutes, and the mainte-
25 nance of health programs in the field as authorized by the

1 Act of August 8, 1946 (Public Law 658), ~~(25)~~\$487,000,000
2 \$487,817,600.

3 Contract station service: For contract station serv-
4 ice, \$3,500,000.

5 Separating mails: For separating mails at fourth-class
6 post offices, \$180,000.

7 Unusual conditions: For unusual conditions at post
8 offices, \$25,000.

9 Clerks, third-class post offices: For compensation to
10 clerks at third-class post offices, \$24,000,000.

11 Miscellaneous items, first- and second-class post offices:
12 For expenses necessary for the operation and protection of
13 post offices of the first and second classes, and the business
14 conducted in connection therewith, not provided for in other
15 appropriations, \$3,600,000.

16 Village delivery service: For village delivery service in
17 towns and villages having post offices of the second or third
18 class, and in communities adjacent to cities having city
19 delivery, \$300,000.

20 Detroit River service: For Detroit River postal service,
21 \$12,750.

22 Carfare and bicycle allowance: For carfare and bicycle
23 allowance, including special-delivery carfare, cost of trans-
24 porting carriers by privately owned automobiles to and from
25 their routes, at rates not exceeding regular streetcar or bus

1 fare, and purchase, maintenance, and exchange of bicycles,
 2 ~~(26)\$1,700,000~~ \$1,900,000.

3 City delivery carriers: For pay of letter carriers, City
 4 Delivery Service, and United States Official Mail and Mes-
 5 senger Service, \$295,300,000.

6 Special-delivery compensation and fees: For compensa-
 7 tion and fees to special-delivery messengers, \$14,000,000.

8 Rural Delivery Service: For pay of rural carriers.
 9 auxiliary carriers, substitutes for rural carriers on annual and
 10 sick leave, clerks in charge of rural stations, tolls and ferriage
 11 and necessary expenses of the Rural Delivery Service, \$129,-
 12 167,000, of which not less than \$200,000 shall be available
 13 for extensions and new service.

14 OFFICE OF THE SECOND ASSISTANT POSTMASTER GENERAL

15 Star-route service: For inland transportation by star
 16 routes (excepting service in Alaska), including temporary
 17 service to newly established offices, \$22,500,000.

18 Star Route and Air Mail Service, Alaska: For inland
 19 transportation by Star Route and Air Mail Service in Alaska,
 20 \$415,000.

21 Powerboat service: For inland transportation by steam-
 22 boat or other powerboat routes, including ship, steamboat,
 23 and way letters, \$1,700,000.

24 Railroad transportation and mail messenger service: For
 25 inland transportation by railroad routes and for mail mes-

1 messenger service, \$145,000,000: *Provided*, That separate ac-
2 counts be kept of the amount expended for mail messenger
3 service.

4 Railway Mail Service: For fifteen general superin-
5 tendents, fifteen assistant general superintendents, two
6 assistant general superintendents at large, one hundred and
7 twenty district superintendents, one hundred and twenty
8 assistant district superintendents, and other employees in
9 the Railway Mail Service, \$104,000,000.

10 Railway postal clerks, travel allowance: For travel
11 allowance to railway postal clerks and substitute railway
12 postal clerks, \$5,000,000.

13 Railway Mail Service, travel expenses: For travel
14 expenses of departmental officials and supervisory employees
15 of the Railway Mail Service, and railway postal clerks,
16 \$55,000.

17 Railway Mail Service, miscellaneous expenses: For
18 necessary expenses of the Railway Mail Service not pro-
19 vided for in other appropriations, \$450,000.

20 Electric-car service: For electric-car service, \$210,000.

21 Foreign mail transportation: For transportation of for-
22 eign mails, except by aircraft, \$9,500,000, including not
23 to exceed \$79,200 to cover the cost to the United States
24 for maintaining sea post service on ocean steamships con-
25 veying mails to and from the United States.

1 Balances due foreign countries: For balances due foreign
2 countries, fiscal year 1948 and prior years, \$3,250,000.

3 Indemnities, international mail: For payment of limited
4 indemnity for the injury or loss of international mail in
5 accordance with convention, treaty, or agreement stipula-
6 tions, fiscal year 1948 and prior years, \$15,000.

7 Foreign air-mail transportation: For transportation of
8 foreign mails by aircraft, as authorized by law, including
9 the transportation of mail by aircraft between Seattle, Wash-
10 ington, and Fairbanks, Alaska, via intermediate points,
11 \$5,500,000.

12 Domestic Air Mail Service: For expenses necessary for
13 the inland transportation of mail by aircraft, as authorized
14 by law, including not to exceed \$173,000 for supervisory
15 officials and clerks at field headquarters, \$37,000,000.

16 OFFICE OF THE THIRD ASSISTANT POSTMASTER GENERAL

17 Manufacture and distribution of stamps and stamped
18 paper: For manufacture and distribution of stamps and
19 stamped paper, and not to exceed \$30,000 for compensa-
20 tion to employees and other necessary expenses of the United
21 States Stamped Envelope Agency, \$7,400,000.

22 Indemnities, domestic mail: For payment of indemnity
23 for the injury or loss of domestic registered, insured, and
24 collect-on-delivery mail, and for failure to remit collect-on-

1 delivery charges, fiscal year 1948 and prior years,
2 \$2,300,000.

3 Unpaid money orders more than one year old: For
4 payment of domestic money orders after one year from the
5 last day of the month of issue of such orders, \$600,000.

6 OFFICE OF THE FOURTH ASSISTANT POSTMASTER GENERAL

7 Post Office stationery, equipment, and supplies: For the
8 purchase, manufacture, repair, and installation of necessary
9 miscellaneous equipment and supplies for the Postal Service
10 not provided for in other appropriations; accident prevention;
11 for the purchase of atlases and geographical and technical
12 works not to exceed \$1,500; and not exceeding \$136,000
13 for personal services, and not to exceed \$51,400 for salaries
14 of fourteen traveling mechanics; for rental of canceling
15 machines and motors, mechanical mail-handling apparatus,
16 and other labor-saving devices; and for travel expenses;
17 \$6,500,000, of which \$250,000 shall be available exclu-
18 sively for the purchase of modern mechanical postal devices:
19 *Provided*, That the Postmaster General may authorize the
20 sale to the public of post-route maps and rural-delivery maps
21 or blueprints at the cost of printing and 10 per centum
22 thereof added.

23 Equipment shops, Washington, District of Columbia:
24 For the purchase, manufacture, and repair of mail bags
25 and other equipment for the postal service not provided

1 for in other appropriations; accident prevention; necessary
 2 expenses for the operation, maintenance, and protection of
 3 the mail equipment shops building, grounds, and equipment,
 4 and a health program for the shops, as authorized by the
 5 Act of August 8, 1946 (Public Law 658) ; \$3,200,000, of
 6 which not to exceed \$1,223,000 may be expended for
 7 personal services in the District of Columbia and not exceed-
 8 ing \$15,000 for the purchase of material and the manufacture
 9 in the equipment shops of such small quantities of distinctive
 10 equipments as may be required by other executive depart-
 11 ments; and for services in Alaska, Puerto Rico, Philippine
 12 Islands, Hawaii, or other island possessions.

13 Rent, light, power, fuel, and water: For rent, light,
 14 power, fuel, and water, for first-, second-, and third-class
 15 post offices, and the cost of advertising for lease proposals
 16 for such offices, ~~(27)\$13,000,000~~ \$13,457,000.

17 Pneumatic-tube service, New York City and Boston:
 18 For rental of not exceeding twenty-eight miles of pneumatic
 19 tubes, hire of labor, communication service, electric power,
 20 and other expenses for transmission of mail in the city of
 21 New York including the Borough of Brooklyn; and for rental
 22 of not exceeding two miles of pneumatic tubes, not including
 23 labor and power in operating the same, for the transmission
 24 of mail in the city of Boston, Massachusetts; \$700,000:
 25 *Provided*, That the Acts of April 21, 1902, May 27, 1908,

1 and June 19, 1922 (39 U. S. C. 423), relating to contracts
2 for the transmission of mail by pneumatic tubes or other
3 similar devices shall not be applicable to the city of New
4 York, and the provisions not inconsistent herewith of the
5 Acts of April 21, 1902, and May 27, 1908 (39 U. S. C.
6 423), shall be applicable to the city of Boston.

7 Vehicle service: For the hire, purchase, maintenance,
8 repair, and operation of vehicles for use in the collection,
9 transportation, delivery, and supervision of the mail, includ-
10 ing the repair of vehicles owned by, or under the control of,
11 units of the National Guard and departments and agencies
12 of the Federal Government where repairs are made necessary
13 because of utilization of such vehicles in the Postal Service;
14 the rental of garage facilities; accident prevention; lease of
15 quarters not exceeding a term of ten years for the housing
16 of Government-owned motor vehicles, and including compen-
17 sation to necessary employees in the Motor Vehicle Service,
18 \$36,500,000, of which ~~(28)\$5,400,000~~ \$4,514,000 shall be
19 available exclusively for the purchase of trucks: *Provided*,
20 That the Postmaster General may purchase and maintain
21 from this appropriation such tractors and trailer trucks as may
22 be required in the operation of the vehicle service: *Provided*
23 *further*, That no part of this appropriation shall be expended
24 for maintenance or repair of motor-propelled passenger-
25 carrying vehicles for use in connection with the administra-

1 tive work of the Post Office Department in the District of
2 Columbia.

3 Transportation of equipment and supplies: For the
4 transportation and delivery of equipment, materials, and
5 supplies for the Post Office Department and Postal Service
6 by freight, express, or motor transportation, and other inci-
7 dental expenses, ~~(29)\$500,000~~ \$520,000.

8 PUBLIC BUILDINGS, MAINTENANCE AND OPERATION

9 Operating force: For compensation to employees in the
10 custodial service, \$44,750,000.

11 Operating supplies, public buildings: For neces-
12 sary miscellaneous articles, services and supplies, including
13 transportation thereof, required for the operation of com-
14 pleted and occupied public buildings and grounds operated
15 by the Post Office Department, accident prevention,
16 \$6,750,000, which shall not be available for personal services
17 except for, work done by contract, or for temporary
18 job labor under exigency not exceeding at one time the
19 sum of \$250 at any one building: *Provided*, That the
20 Postmaster General is authorized to contract for telephone
21 service in public buildings under his administration by means
22 of telephone switchboards or equivalent telephone switching
23 equipment jointly serving in each case two or more govern-
24 mental activities, where he determines that joint service is
25 economical and in the interest of the Government, and to

1 secure reimbursement for the cost of such joint service from
2 available appropriations for telephone expenses of the bureaus
3 and offices receiving the same.

4 Furniture, carpets, and safes, public buildings: For the
5 procurement, including transportation, of furniture, carpets,
6 safes, safe and vault protective devices, and repairs of same,
7 for use in public buildings which are now, or may hereafter
8 be, operated by the Post Office Department, \$750,000:
9 *Provided*, That excepting expenditures for labor for or in-
10 cidental to the moving of equipment from or into public
11 buildings, the foregoing appropriation shall not be used for
12 personal services except for work done under contract or for
13 temporary job labor under exigency and not exceeding at
14 one time the sum of \$100 at any one building: *Provided*
15 *further*, That all furniture now owned by the United States
16 in other public buildings or in buildings rented by the United
17 States shall be used, so far as practicable, whether or not it
18 corresponds with the present regulation plan of furniture.

19 Deficiency in postal revenues: If the revenues of the
20 Post Office Department shall be insufficient to meet the
21 appropriations made under title II of this Act, a sum equal
22 to such deficiency in the revenues of such Department is
23 hereby appropriated, to be paid out of any money in the
24 Treasury not otherwise appropriated, to supply such defi-
25 ciency in the revenues of the Post Office Department for the

1 fiscal year ending June 30, 1948, and the sum needed
2 may be advanced to the Post Office Department upon
3 requisition of the Postmaster General.

4 During the fiscal year 1948, the Postmaster Gen-
5 eral shall make quarterly reports to the Senate and
6 House Committees on Appropriations, showing for each
7 quarter the amount paid from each appropriation for over-
8 time, the number of employees receiving such overtime, and
9 the number of hours of overtime worked by such employees,
10 together with a statement as to the necessity for such over-
11 time work.

12 This title may be cited as the "Post Office Department
13 Appropriation Act, 1948".

14 TITLE III—GENERAL PROVISIONS

15 SEC. 301. No part of any appropriation contained in
16 this Act shall be used to pay the salary or wages of any
17 person who engages in a strike against the Government
18 of the United States or who is a member of an organization
19 of Government employees that asserts the right to strike
20 against the Government of the United States, or who advo-
21 cates, or is a member of an organization that advocates,
22 the overthrow of the Government of the United States
23 by force or violence: *Provided*, That for the purposes hereof
24 an affidavit shall be considered prima facie evidence that
25 the person making the affidavit has not contrary to the

1 provisions of this section engaged in a strike against the
2 Government of the United States, is not a member of an
3 organization of Government employees that asserts the right
4 to strike against the Government of the United States, or
5 that such person does not advocate, and is not a member of
6 an organization that advocates, the overthrow of the Govern-
7 ment of the United States by force or violence: *Provided*
8 *further*, That any person who engages in a strike against
9 the Government of the United States or who is a member
10 of an organization of Government employees that asserts
11 the right to strike against the Government of the United
12 States, or who advocates, or who is a member of an organ-
13 ization that advocates, the overthrow of the Government
14 of the United States by force or violence and accepts
15 employment the salary or wages for which are paid from
16 any appropriation contained in this Act shall be guilty of
17 a felony and, upon conviction, shall be fined not more than
18 \$1,000 or imprisoned for not more than one year, or both:
19 *Provided further*, That the above penalty clause shall be in
20 addition to, and not in substitution for, any other provi-
21 sions of existing law.

1 SEC. 302. This Act may be cited as the “Treasury and
2 Post Office Departments Appropriation Act, 1948”.

Passed the House of Representatives March 11, 1947.

Attest: JOHN ANDREWS,
Clerk.

Passed the Senate with amendments June 2 (legislative day, April 21), 1947.

Attest: CARL A. LOEFFLER,
Secretary.

AN ACT

Making appropriations for the Treasury and
Post Office Departments for the fiscal year
ending June 30, 1948, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 2, 1947

Ordered to be printed with the amendments of the
Senate numbered

DIGEST OF
CONGRESSIONAL PROCEEDINGS
OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
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HIGHLIGHTS: House Agriculture Committee endorsed bill to transfer Remount Service to USDA. Rep. Vursell urged extra sugar for canning. Rep. Dirksen inserted USDA Solicitor's opinion regarding Congress' powers on Alaska research funds.

HOUSE

1. SUGAR. Rep. Vursell, Ill., urged that the Department make "an extra 10 or 15 pounds per capita" of sugar available to home canners "to save all food available rather than to allow it to go to waste" (p. 6516).
2. REMOUNT SERVICE. The Agriculture Committee voted to endorse H.R. 3484, to transfer the Remount Service from the War Department to this Department, and recommend its enactment (p. D334).
3. LABOR. Agreed, 320-79, to the conference report on H.R. 3020, the labor-management bill (pp. 6537-49). The Senate has not yet acted on the report.
4. WAR DEPARTMENT MILITARY APPROPRIATION BILL, 1948. Continued debate on this bill, H.R. 3678 (pp. 6523-37).
5. TREASURY-POST OFFICE APPROPRIATION BILL, 1948. Reps. Canfield, Dirksen, Griffiths, Robertson, Gary, Bates (Ky.), and Whitten were appointed conferees on this bill, H.R. 2436 (p. 6550). Senate conferees were appointed June 2.
6. HOUSING; ROADS. Reps. Wolcott, Gamble, Kunkel, Talle, Spence, Brown (Ga.), and Patman were appointed conferees on H.R. 3203, to continue rent controls and make available \$10,000,000 additional for access roads to standing timber (p. 6522). Senate conferees appointed June 2.
7. WOOL. Rep. Zimmerman, Mo., was appointed to serve on the conference committee on S. 814, the wool price-support bill, in the place of Rep. Flannagan, Va., who resigned from the conference committee (p. 6549).
8. STRATEGIC-MATERIALS APPROPRIATIONS. Received (May 29) from the President a sup-

plemental appropriation estimate of \$150,000,000, together with a contract authorization of \$50,000,000, for the Bureau of Federal Supply to make purchases under the Strategic and Critical Materials Stock-piling Act (H. Doc. 280); to Appropriations Committee.

9. PRICE CONTROL. Rep. Gavin, Pa., inserted a Bristol (Pa.) Courier article expressing satisfaction that the OPA is officially dead (pp. 6516-7).
Rep. Patman, Tex., commended the OPA for its accomplishments during its existence and Rep. Gross, Pa., stated that the "doing away with the OPA" was a financial saving for the Government (p. 6522).
10. PERSONNEL. The Rules Committee reported a resolution for the consideration of H.R. 1389, to amend the Veterans' Preference Act so as to require active full-time paid duty for eligibility (p. 6517).
11. LANDS. Received from the Interior Department a proposed bill to prescribe the measure of damage on account of trespass upon, unlawful use of, and unlawful enclosure of lands or resources owned or controlled by the U.S. To Judiciary Committee. (p. 6550.)
12. AGRICULTURAL FAIRS. The Ways and Means Committee reported without amendment H.R. 3602, to exempt from admissions tax general admissions to agricultural fairs (H.Rept. 519) (p. 6551).
13. SURPLUS PROPERTY. Rep. Buck, N.Y., criticized methods of the War Assets Administration in the disposition of surplus property (p. 6517).
Rep. Rizley, Okla., announced that he had received a letter from the War Assets Administration advising that they had construed the Greece-Turkey Aid Act "as giving the provisions of the act affecting Surplus War Assets priority over veterans and everyone else in the present Surplus Property Act, for whom we provide priorities" (p. 6522).

SENATE

14. FOREIGN RELIEF. During the debate on the Italian treaty Sen. Wherry, Nebr., discussed with other members the need for food and other relief to Italy, Greece and Turkey (pp. 6506-9).
15. PERSONNEL. Sen. Johnston, S.C., questioned Sen. Williams' (Del.) previous statements on S. 637, the omnibus retirement bill, and discussed with Sen. Williams these statements and the costs of the bill to Federal employees and to the Government (pp. 6490-502).
16. LANDS. Received from the Interior Department proposed legislation to prescribe the measure of damages on account of trespass upon, unlawful use of, and unlawful enclosure of lands or resources owned or controlled by the U.S. To Public Lands Committee. (p. 6480).
17. A.A.A. Received a Carroll County, Va., petition favoring continuation of A.A.A. (p. 6480).
18. LEGISLATIVE PROGRAM. The Daily Digest states that the conference report on the labor bill (H.R. 3020) is to be disposed of today and debate is to begin on S. 110, to amend the Interstate Commerce Act relative to agreements between carriers (p. D331).

There are 351 Members present, not a sufficient number.

The yeas and nays were refused.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and on a division (demanded by Mr. LESLINSKI) there were—ayes 55, noes 246.

So the motion was rejected.

The SPEAKER. The question is on agreeing to the conference report.

Mr. HARTLEY. Mr. Speaker, on that I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 320, nays 79, not voting 30, as follows:

[Roll No. 70]

YEAS—320

| | | |
|------------------|-----------------|-----------------|
| Abernethy | Dague | Jenkins, Pa. |
| Albert | Davis, Ga. | Jennings |
| Allen, Calif. | Davis, Tenn. | Jensen |
| Allen, Ill. | Davis, Wis. | Johnson, Calif. |
| Allen, La. | Dawson, Utah | Johnson, Ill. |
| Almond | Deane | Johnson, Ind. |
| Andersen | Devitt | Johnson, Tex. |
| H. Carl | D'Ewart | Jones, Ala. |
| Anderson, Calif. | Dirksen | Jones, N. C. |
| Andresen | Dolliver | Jones, Ohio |
| August H. | Domengeaux | Jonkman |
| Andrews, Ala. | Dondero | Judd |
| Andrews, N. Y. | Dorn | Kean |
| Arends | Doughton | Kearney |
| Arnold | Drewry | Kearns |
| Auchincloss | Durham | Keating |
| Bakewell | Eaton | Keefe |
| Banta | Ellis | Kerr |
| Barden | Ellsworth | Kersten, Wis. |
| Barrett | Elsaesser | Kilburn |
| Bates, Mass. | Engel, Mich. | Kilday |
| Battle | Engle, Calif. | Kunkel |
| Beall | Evins | Landis |
| Beckworth | Fallon | Larcade |
| Bender | Fellows | Latham |
| Bennett, Mich. | Fenton | Lea |
| Bennett, Mo. | Fernandez | LeCompte |
| Blackney | Fisher | LeFevre |
| Boggs, Del. | Fletcher | Lewis |
| Boggs, La. | Folger | Lodge |
| Bolton | Foote | Love |
| Bonner | Fulton | Lucas |
| Boykin | Gamble | Lusk |
| Bradley | Gary | Lyle |
| Bramblett | Gathings | McConnell |
| Brooks | Gavin | McCowan |
| Brown, Ga. | Gearhart | McDonough |
| Brown, Ohio | Gillette | McDowell |
| Bryson | Gillie | McGarvey |
| Buck | Goff | McGregor |
| Buffett | Goodwin | McMahon |
| Bulwinkle | Gore | McMillan, S. C. |
| Burke | Gossett | McMillen, Ill. |
| Burleson | Graham | MacKinnon |
| Busbey | Grant, Ind. | Macy |
| Byrnes, Wis. | Gregory | Mahon |
| Camp | Griffiths | Maloney |
| Canfield | Gross | Manasco |
| Carson | Gwynn, N. Y. | Martin, Iowa |
| Case, N. J. | Gwynne, Iowa | Mason |
| Case, S. Dak. | Hagen | Mathews |
| Chadwick | Hale | Meade, Ky. |
| Chapman | Hall | Meade, Md. |
| Chelf | Edwin Arthur | Merrow |
| Chenoweth | Hall | Meyer |
| Chipperfield | Leonard W. | Michener |
| Church | Halleck | Miller, Conn. |
| Clark | Hand | Miller, Md. |
| Clason | Hardy | Miller, Nebr. |
| Clevenger | Harris | Mill |
| Clippinger | Harrison | Mitchell |
| Coffin | Hartley | Monroney |
| Cole, Kans. | Hays | Morton |
| Cole, Mo. | Hébert | Muhlenberg |
| Cole, N. Y. | Herter | Mundt |
| Colmer | Heseltan | Murray, Tenn. |
| Cooley | Hill | Murray, Wis. |
| Cooper | Hinshaw | Nixon |
| Corbett | Hobbs | Nodar |
| Cotton | Hoeven | Norblad |
| Coudert | Hoffman | Norrell |
| Courtney | Hope | O'Hara |
| Cox | Horan | O'Konski |
| Cravens | Howell | Owens |
| Crawford | Jackson, Calif. | Pace |
| Crow | Jarman | Passman |
| Cunningham | Jenison | Patman |
| Curtis | Jenkins, Ohio | Patterson |

Peden
Phillips, Calif.
Pickett
Ploeser
Plumley
Poage
Potts
Poulson
Preston
Price, Fla.
Priest
Rains
Ramsey
Rankin
Redden
Reed, Ill.
Reed, N. Y.
Rees
Reeves
Rich
Richards
Riehlman
Rivers
Rizley
Robertson
Robson
Rockwell
Rogers, Fla.
Rogers, Mass.
Rohrbough
Ross

Russell
Sadlak
St. George
Sanborn
Sarbacher
Sasser
Schwabe, Mo.
Schwabe, Okla.
Scoblick
Scott, Hardie
Scott,
Hugh D., Jr.
Scrivner
Seely-Brown
Shafer
Short
Simpson, Ill.
Simpson, Pa.
Smathers
Smith, Maine
Smith, Va.
Smith, Wis.
Snyder
Springer
Stanley
Stefan
Stevenson
Stigler
Stockman
Stratton
Sundstrom

Taber
Talle
Taylor
Teague
Thomas, N. J.
Thomason
Tibbott
Towe
Trimble
Twyman
Vail
Vinson
Vorvys
Vursell
Welchel
West
Wheeler
Whitten
Whittington
Williams
Wilson, Ind.
Wilson, Tex.
Winstead
Wolcott
Wolverton
Woodruff
Worley
Youngblood
Zimmerman

NAYS—79

Angell
Bates, Ky.
Bishop
Blatnik
Blom
Brehm
Brophy
Buchanan
Buckley
Butler
Byrne, N. Y.
Cannon
Carroll
Celler
Clements
Combs
Crosser
Dawson, Ill.
Delaney
Dingell
Donohue
Douglas
Eberharter
Feighan
Fogarty
Forand
Gordon

Gorski
Harless, Ariz.
Hart
Havener
Hedrick
Heffernan
Hollfield
Huber
Hull
Jackson, Wash.
Javits
Johnson, Okla.
Jones, Wash.
Karsten, Mo.
Kee
Kofaever
Kennedy
Keogh
King
Kirwan
Klein
Lane
Lanham
Lemke
Lesinski
Lynch
Madden

Mansfield,
Mont.
Marcantonio
Miller, Calif.
Morgan
Morris
Murdock
Norton
O'Brien
O'Toole
Phillips
Phillips, Tenn.
Price, Ill.
Rabin
Rayburn
Rayfield
Rooney
Sabath
Sadowski
Sheppard
Somers
Spence
Thomas, Tex.
Tollefson
Walter
Welch

NOT VOTING—30

Bell
Bland
Elliott
Elston
Flannagan
Fuller
Gallagher
Gifford
Granger
Grant, Ala.

Harness, Ind.
Hendricks
Hess
Holmes
Kelley
Knutson
McCormack
Mansfield, Tex.
Morrison
Peterson

Pfeifer
Powell
Riley
Sikes
Smith, Kans.
Smith, Ohio
Van Zandt
Wadsworth
Wigglesworth
Wood

So the conference report was agreed to.
The Clerk announced the following pairs:

On this vote:

Mr. Holmes for, with Mr. Pfeifer against.
Mr. Wood for, with Mr. Granger against.
Mr. Sikes for, with Mr. Kelley against.
Mr. Bell for, with Mr. Flannagan against.
Mr. Van Zandt for, with Mr. Powell against.
Mr. Riley for, with Mr. McCormack against.

General pairs until further notice:

Mr. Knutson with Mr. Bland.
Mr. Wigglesworth with Mr. Peterson.
Mr. Harness of Indiana with Mr. Morrison.
Mr. Wadsworth with Mr. Elliott.
Mr. Smith of Kansas with Mr. Grant of Alabama.
Mr. Hess with Mr. Mansfield of Texas.
Mr. Elston with Mr. Hendricks.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

CONFERENCE COMMITTEE ON WOOL BILL

The SPEAKER. The Chair lays before the House the following communication, which the Clerk will report.

The Clerk read as follows:

JUNE 4, 1947.

Hon. JOSEPH W. MARTIN, Jr.,

Speaker, House of Representatives.

MY DEAR MR. SPEAKER: This is to advise that it will be necessary for me to resign from the conference committee on the wool bill. I am leaving the city today for a few days' rest upon doctor's orders.

Sincerely yours,

JOHN W. FLANNAGAN.

The SPEAKER. Without objection, the resignation is accepted.

There was no objection.

The SPEAKER. The Chair appoints the gentleman from Missouri [Mr. ZIMMERMAN] to serve on the conference committee on the wool bill, and the Senate will be notified accordingly.

EXTENSION OF REMARKS

Mr. LANE asked and was given permission to revise and extend his remarks in the RECORD in three instances and to include three resolutions.

Mr. HAVENNER asked and was given permission to extend his remarks in the RECORD in two instances, in one to include a newspaper article.

Mr. ROONEY asked and was given permission to extend his remarks in the RECORD and include two newspaper editorials.

Mr. BLATNIK asked and was given permission to extend his remarks in the RECORD at this point.

EVANS FORDYCE CARLSON

Mr. BLATNIK. Mr. Speaker, in Arlington Cemetery today the body of Brig. Gen. Evans F. Carlson will be buried with the military honors that befit one of the foremost heroes of World War II.

Every American knows his story. They know of his courage and of his ability to lead and inspire men. They will long remember Evans Carlson, the man who organized, trained, and led Carlson's Raiders, a military unit unique in modern American history.

Evans Carlson, professional soldier that he was, threw away the book in forming his Raiders. He had a name for his system. It was Gung Ho—work together—a name he had picked up in China where as a Marine intelligence officer he soldiered with the famous Eighth Route Army.

Actually Gung Ho was an ideal old as mankind's struggle for liberty against tyranny and aggression. Carlson's Yankee forebears had it at Concord when they took up muskets to fight for liberty in the American Revolution. It was present, too, in the underground movements of Europe wherever people united democratically to rid their native lands of Fascist aggressors.

ABOLISHED CASTE SYSTEM

There was no caste system in Carlson's Raiders. What was good enough for the lowest Raider private was good enough for the officers who led them.

Evans Carlson believed that men who knew what they were fighting for and

why were better soldiers, so he mixed 50-mile forced marches with political indoctrination. He encouraged his men to ask questions. He and his officers gave straight answers. When the Raiders went on a military operation they knew what they were doing and why. Carlson's Raiders were the most feared as well as the best informed fighting organization in the Pacific.

The raiders proved the effectiveness of Carlson's training technique in their first military action. They kept on proving it right up to the time that the high command broke them up and scattered the battalion's officers and men through the Marine Corps.

They proved it on Makin Island when a handful of raiders wiped out an enemy garrison many times their number. They proved it again on Guadalcanal when Evans Carlson led his men through steaming, fever-ridden jungles, wiping out enemy forces in guerilla action and finally relieving sorely-pressed American troops at Henderson Field.

The 3 Navy Crosses and the many other military honors he won on the field of battle speak for Evans Carlson, the soldier.

CITIZEN AND SOLDIER

It is Evans Carlson, the citizen, a courageous fighter in and out of uniform for the rights and dignity of man that I wish to eulogize today.

Evans Carlson, professional soldier, veteran of both World Wars, a by-the-book marine who soldiered in Nicaragua and China, never forgot that he was first and always a citizen. Never did he regard war as an end in itself.

Twice in his lifetime he felt it necessary to lay aside his uniform, and, as an American citizen go forth and speak out for ideas he believed worth fighting for. The son of a New England clergyman, Evans Carlson was always a deeply religious man.

As a Marine officer he saw native people of Nicaragua fight well and effectively against overwhelming odds for the right to manage the affairs of their own country. Later in China he observed at first hand the heroic struggles of the common people of that nation against aggression. What he saw in China impressed him immensely. So much in fact that he felt it necessary to resign his commission and return to America in a vain effort to rouse his countrymen by speeches and articles to the danger of our short-sighted policies in the Orient—policies that permitted us to ship scrap iron and petroleum to Japan while we wept inky tears over the rape of Nanking.

HE DIED FIGHTING

When he donned his uniform for World War II, Evans Carlson was convinced that he was fighting in the final world conflict.

Wounds, fever, and the tremendous mental and physical strain of nearly 4 years of war that carried him into the thick of battle on Makin, Guadalcanal, Tarawa, Kwajalein, and Saipan hastened Carlson's death. Even his courageous Yankee heart could not withstand such strain.

Yet, as death neared, he had the will and the desire to speak out as a citizen-soldier on issues he believed important to his country's and to all men's welfare. He spoke out strongly against American interference in China and opposed any American policy of dictating in the internal affairs of other nations. He believed, most devoutly, that there should be no barriers between peoples of good faith.

Evans Carlson was a soldier's soldier. He was and always will be an American's American.

EXTENSION OF REMARKS

Mr. POULSON asked and was given permission to revise and extend his remarks.

TREASURY AND POST OFFICE APPROPRIATIONS, 1948

Mr. CANFIELD. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 2436) making appropriations for the Treasury and Post Office Departments for the fiscal year 1948, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey? [After a pause.] The Chair hears none and appoints the following conferees: MESSRS. CANFIELD, DIRKSEN, GRIFFITHS, ROBERTSON, GARY, BATES of Kentucky, and WHITTEN.

AMENDING THE NATIONAL LABOR RELATIONS ACT

Mr. HARTLEY. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Concurrent Resolution 52.

The Clerk read the concurrent resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That in the enrollment of the bill (H. R. 3020) to amend the National Labor Relations Act, to provide additional facilities for the mediation of labor disputes affecting commerce, to equalize legal responsibilities of labor organizations and employers, and for other purposes, the Clerk of the House is authorized and directed to make the following correction: In the matter in parentheses in the section designated as "Sec. 15" in title I, change the figure "10" to "11."

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. LODGE, for June 5 and 6, on account of official business.

To Mr. DEVITT, for June 9 to 11, inclusive, on account of official business.

To Mr. SMITH of Ohio (at the request of Mr. MCGREGOR), for 10 days, on account of illness.

HENRY CHUDEJ

The SPEAKER. The Chair lays before the House the following request which the Clerk will report.

The Clerk read as follows:

Mr. KILDAY requests, pursuant to rule XXXVIII, leave to withdraw from the files of the House papers in the case of H. R. 4526, for the relief of Henry Chudej, individually, and as guardian of Jeanette Jurecek, a minor, Seventy-ninth Congress, no adverse report having been filed thereon.

The SPEAKER. Is there objection to the request of the gentleman from Texas? There was no objection.

ENROLLED BILLS SIGNED

Mr. LECOMPTE, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 1. An act to reduce individual income-tax payments.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 135. An act to legalize the admission into the United States of Frank Schindler;

S. 565. An act to amend section 3539 of the Revised Statutes, relating to taking trial pieces of coins;

S. 566. An act to amend sections 3533 and 3566 of the Revised Statutes with respect to deviations in standard of ingots and weight of silver coins; and

S. 583. An act to authorize the exchange of lands acquired by the United States for the Silver Creek recreational demonstration project, Oregon, for the purpose of consolidating buildings therein, and for other purposes.

S. 993. An act to provide for the reincorporation of Export-Import Bank of Washington, and for other purposes;

S. 1022. An act to authorize an adequate White House police force; and

S. 1073. An act to extend until June 30, 1949, the period of time during which persons may serve in certain executive departments and agencies without being prohibited from acting as counsel, agent, or attorney for prosecuting claims against the United States by reason of having so served.

BILL PRESENTED TO THE PRESIDENT

Mr. LECOMPTE, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H. R. 1. An act to reduce individual income tax payments.

ADJOURNMENT

Mr. HALLECK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 54 minutes p. m.) the House adjourned until tomorrow, Thursday, June 5, 1947, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

738. A letter from the Acting Secretary of the Interior, transmitting a draft of a proposed bill to prescribe the measure of damage on account of trespass upon, unlawful use of, and unlawful enclosure of lands or resources owned or controlled by the United States; to the Committee on the Judiciary.

739. A letter from the Acting Chairman, National Mediation Board, transmitting quarterly estimate of personnel requirements for the National Mediation Board, including the National Railroad Adjustment Board, for

(5) explains that the Committee reduced Legislative Reference Service to \$300,000 (Budget estimate, \$650,000; 1947 appropriation, \$475,000) on the basis that the committee staffs would be increased, that many of the committees are not utilizing the LRS specialists to any great extent, and that the House Coordinator of Information is in the same general field of work; (6) states that the Library of Congress project for storing and distributing Government motion-picture films "will cost an amount of money out of all proportion to its value" and raised a question as to whether the Library was the appropriate agency for this function in any event; (7) partially explained a \$10,000,000 cut in GPO's working fund by stating that "there is some difficulty in securing prompt payment by departments and agencies," that the Committee "sees no valid reason why departments and agencies should not pay their printing bills within 30 days," and that GPO "could undoubtedly shorten the collection period by the simple expedient of refusing to accept requisitions for printing unless the department or agency concerned pays its bills promptly"; and (8) questioned the advisability of spending Federal funds for the Library of Congress' current legislative reference service on State legislation.

HOUSE

17. C.C.C. CONTINUATION. The Banking and Currency Committee reported without amendment S. 350, to continue CCC as a U.S. agency until June 30, 1948 (H.Rept. 719) (p. 7929).
18. EXPORT CONTROLS. The Rules Committee reported a resolution for the consideration of H.R. 3049, to continue the Export Control Act and direct the President to ascertain on or before Dec. 31, 1947, whether export controls should or should not be continued, such determination to be certified to Congress; to provide that upon the President's determination to discontinue, such controls should terminate within 15 days from the date of determination, except as to offences committed or rights or liabilities incurred; and to provide that in no event should controls extend beyond June 30, 1948 (p. 7929).
19. WAR POWERS; TRANSPORTATION. The Interstate and Foreign Commerce Committee reported with amendment H.R. 3152, to extend to June 30, 1948, title III of the Second War Powers Act relating to the allocation of transportation equipment (H.Rept. 710) (pp. 7883, 7929).
20. SOCIAL SECURITY; FARM LABOR. The Ways and Means Committee reported without amendment S. 1072, to extend until July 1, 1949, the period during which income from agricultural labor may be disregarded by States in making old-age assistance payments without prejudicing their rights to grants-in-aid under the Social Security Act (H.Rept. 713) (p. 7929).
21. COMMUNICATIONS. The Interstate and Foreign Commerce Committee reported without amendment S. 816, to repeal the mandatory special rate for Government telegrams; authorize the Federal Communications Commission under the Communications Act of 1934, to prescribe charges, classifications, regulations and practices, including priorities, applicable to Government telegrams; the effective date being the 10th day following the date of enactment (H.Rept. 715) (p. 7929).
22. RECONSTRUCTION FINANCE CORPORATION. Received the conference report on S.J.Res. 135, to continue RFC (pp. 7915-8). The conferees adopted the 1-year extension, as provided in the Senate version, but retained in general the House provisions extending only certain lending powers and functions of RFC. The House version contained several provisions regarding FCA; and conference report (as explained by the House conferees), "in lieu of repealing those provisions of law in their entirety, modifies them to eliminate their application to the

Reconstruction Finance Corporation but to retain their application to the Farm Credit Administration."

23. WAR POWERS. Passed with amendment H.R. 3647, to extend certain powers under Title III of the Second War Powers Act (including priorities, allocations, and certain export controls (pp. 7889-901). During the debate there was considerable discussion on the need for the export controls provided for in this bill and, in addition, the continuation of the Export Control Act as provided for in H.R. 3049. Rep. Murray, Wis., offered and withdrew an amendment to authorize import and export control for wheat, flour, corn, oats, and barley (pp. 7900-1). Reps. Springer (Ind.) and Michener (Mich.) discussed Mr. Dodd's testimony before the Judiciary Committee in regard to the continuation of controls on fibre and cordage (pp. 7890-1).
24. EXECUTIVE ORGANIZATION. Passed without amendment H.R. 775, to establish a Commission on Organization of the Executive Branch of the Government (pp. 7918-21).
25. ALASKA SETTLEMENT. The "Daily Digest" states that a subcommittee of the Public Lands Committee ordered* reported H.R. 868, to provide for homesteading in Alaska by veterans (p. D446).
*Copies of the bill and report will not be available until the bill is actually reported, when this Digest will include a statement to that effect.
26. LANDS. The Agriculture Committee ordered* reported H.R. 2511, to authorize the Department to quitclaim 2 acres of land near Muirkirk, Md., to the Queens Chapel Methodist Church (p. D445).
*Copies of the bill and report will not be available until the bill is actually reported, when this Digest will include a statement to that effect.
27. FOREIGN RELIEF; FOOD PURCHASES. Rep. Harrison, Va., criticized USDA's policy on the purchase of food for foreign relief, referring particularly to surplus canned poultry and other canned goods, stating, "I was not able to interest Government authorities in the purchase of any of this surplus for foreign relief" (pp. 7886-7).
28. TREASURY-POST OFFICE APPROPRIATION BILL, 1948. Received the conference report on this bill, H.R. 2436 (pp. 7921-2).
29. FOREIGN AFFAIRS. Passed with amendments S. J. Res. 77, providing for membership and participation by the U.S. in the International Refugee Organization and authorizing an appropriation therefor (pp. 7901-15). As passed the measure contains the language of the House measure, H.J. Res. 207 (pp. 7915-5).
30. RECLAMATION. Rep. Phillips, Calif., discussed the appropriations for reclamation projects, stating that he hoped the House "would help the conferees work out a final appropriation bill for the Department of the Interior which will permit the economy of the West to be developed" (pp. 7923-8).
31. RUBBER. Rep. Crawford, Mich., spoke in favor of retaining the synthetic rubber industry (p. 7886).
32. WOOL. During the debate on H.J. Res. 207, Rep. Kersten, Wis., criticized the President's veto of S. 814, the wool price-support bill (pp. 7912-3).

BILLS INTRODUCED

33. FLOOD CONTROL; SURPLUS PROPERTY. S. 1515, by Sen. Aiken, Vt. (for himself and others), to make surplus property available for the alleviation of damage

ury not otherwise appropriated, so much as may be necessary to carry out the provisions of this act.

EXPIRATION OF THE COMMISSION

SEC. 9. Ninety days after the submission to the Congress of the report provided for in section 10 (b), the Commission shall cease to exist.

DUTIES OF THE COMMISSION

SEC. 10. (a) Investigation: The Commission shall study and investigate the present organization and methods of operation of all departments, bureaus, agencies, boards, commissions, offices, independent establishments, and instrumentalities of the executive branch of the Government, to determine what changes therein are necessary in their opinion to accomplish the purposes set forth in section 1 of this act.

(b) Report: Within 10 days after the Eighty-first Congress is convened and organized, the Commission shall make a report of its findings and recommendations to the Congress.

POWERS OF THE COMMISSION

SEC. 11. (a) Hearings and sessions: The Commission, or any member thereof, may, for the purpose of carrying out the provisions of this act, hold such hearings and sit and act at such times and places, and take such testimony, as the Commission or such member may deem advisable. Any member of the Commission may administer oaths or affirmations to witnesses appearing before the Commission or before such member.

(b) Obtaining official data: The Commission is authorized to secure directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality information, suggestions, estimates, and statistics for the purpose of this act; and each such department, bureau, agency, board, commission, office, establishment, or instrumentality is authorized and directed to furnish such information, suggestions, estimates, and statistics directly to the Commission, upon request made by the chairman or vice chairman.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TREASURY AND POST OFFICE APPROPRIATION BILL—CONFERENCE REPORT

Mr. CANFIELD. Mr. Speaker, I ask unanimous consent to have until midnight tonight to file a conference report and statement on the Treasury-Post Office appropriation bill for fiscal 1948.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2436) making appropriations for the Treasury and Post Office Departments, for the fiscal year ending June 30, 1948, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 4, 13, and 18.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 7, 8, 10, 11, 12, 16, 23, 28, and 29, and agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$200,000"; and the Senate agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$32,925,000"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$188,000,000"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$100,000,000"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$72,000,000"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$1,115,000"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$910,000"; and the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$1,332,500"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$712,500"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$1,600,000"; and the Senate agree to the same.

Amendment numbered 25: That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$487,400,000"; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$1,800,000"; and the Senate agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amend-

ment insert "\$13,257,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 6 and 17.

GORDON CANFIELD,
P. W. GRIFFITHS,
CHAS. R. ROBERTSON,
J. VAUGHAN GARY,
JOE B. BATES,
JAMIE L. WHITTEN,

Managers on the Part of the House.

GUY CORDON,
CLYDE M. REED,
STYLES BRIDGES,
LEVERETT SALTONSTALL,
KENNETH MCKELLAR,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2436) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1948, and for other purposes, submit the following report in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

TITLE I, TREASURY DEPARTMENT

Amendments Nos. 1, 2, and 3 provide that the appropriation of \$450,000 for salaries, Office of General Counsel, as proposed by the House, be divided into two appropriations, namely: salaries, Office of General Counsel and Tax Legislative Counsel, \$250,000; and salaries, Division of Tax Research and Research and Statistics, \$200,000; but reduces the total of \$550,000 proposed by the Senate for these functions to \$450,000, the sum proposed by the House.

Amendment No. 4 limits funds of the Bureau of Customs for personal services in the District of Columbia to not more than \$826,000, as proposed by the House.

Amendment No. 5 appropriates \$32,925,000 for salaries and expenses of the Bureau of Customs, instead of \$32,500,000 as proposed by the House and \$34,000,000 as proposed by the Senate.

Amendment No. 6 is reported in disagreement.

Amendment No. 7 provides that the amount available to the Bureau of Internal Revenue for printing and binding is not to exceed \$2,530,000, as proposed by the Senate.

Amendment No. 8 provides that the amount available to the Bureau of Internal Revenue for stationery is not to exceed \$1,500,000, as proposed by the Senate.

Amendment No. 9 appropriates \$188,000,000 for salaries and expenses of the Bureau of Internal Revenue, instead of \$178,000,000 as proposed by the House and \$203,000,000 as proposed by the Senate. The Bureau of Internal Revenue should insure that its enforcement activities are not curtailed in any readjustment of its budget program.

Amendment No. 10 corrects punctuation.

Amendment No. 11 appropriates \$372,900 for salaries of the White House Police, as proposed by the Senate.

Amendment No. 12 appropriates \$9,000 for uniforming and equipping the White House Police, as proposed by the Senate.

Amendment No. 13 provides specific prices which shall not be exceeded in the purchase with appropriated funds of various models of typewriters in the fiscal year 1948, instead of the limitation proposed by the Senate that such price could not exceed 70 percent of the commercial list price in effect at the time of delivery of typewriters so purchased. In recommending that the Senate recede from its amendment, it was understood and agreed by the managers on the part of the two Houses that a report of the full investigation

being conducted for the Committee on Appropriations of the House regarding the purchase of typewriters by the Government, including all considerations relevant thereto, is to be completed and filed by January 3, 1948.

Amendment No. 14 appropriates \$100,000,000 for salaries and expenses of the Coast Guard instead of \$97,000,000 as proposed by the House and \$109,483,123 as proposed by the Senate.

In recommending that \$100,000,000 be appropriated for the Coast Guard, the managers on the part of the two Houses desire that the Coast Guard in adjusting its budget program insure that ocean weather stations shall be maintained so as to provide adequate aid to navigation, both surface and air. It was further understood that the managers on the part of the House will recommend that the Committee on Appropriations of the House investigate and give consideration to the possible need of additional funds for loran and ocean weather stations.

Amendment No. 15 provides that funds to be expended for the hire of quarters for dependents of officers or enlisted personnel; for recruiting and for other specified purposes is not to exceed \$72,000,000, instead of \$70,000,000 as proposed by the House and \$77,153,271 as proposed by the Senate.

Amendment No. 16 provides that the circumstances under which the limitation respecting pay for "Civilian Employees, Coast Guard" may be exceeded are also applicable with respect to the "Office of the Commandant."

Amendment No. 17 is reported in disagreement.

TITLE II. POST OFFICE DEPARTMENT

Amendment No. 18 appropriates \$375,000 for salaries, Office of the Postmaster General, instead of \$390,000 as proposed by the Senate.

Amendment No. 19 appropriates \$1,115,000 for salaries, Office of the First Assistant Postmaster General, instead of \$1,100,000 as proposed by the House and \$1,130,000 as proposed by the Senate.

Amendment No. 20 appropriates \$910,000 for salaries, Office of the Second Assistant Postmaster General, instead of \$900,000 as proposed by the House and \$920,000 as proposed by the Senate.

Amendment No. 21 appropriates \$1,332,500 for salaries, Office of the Third Assistant Postmaster General, instead of \$1,325,000 as proposed by the House and \$1,340,000 as proposed by the Senate.

Amendment No. 22 appropriates \$712,500 for salaries, Office of the Fourth Assistant Postmaster General, instead of \$700,000 as proposed by the House and \$725,000 as proposed by the Senate.

Amendment No. 23 appropriates \$83,800 for salaries, office of the purchasing agent as proposed by the Senate.

Amendment No. 24 appropriates \$1,600,000 for printing and binding for the Post Office Department and postal service instead of \$1,500,000 as proposed by the House and \$1,700,000 as proposed by the Senate.

Amendment No. 25 appropriates \$487,400,000 for compensation to clerks and employees at first- and second-class post offices instead of \$487,000,000 as proposed by the House and \$487,817,600 as proposed by the Senate.

Amendment No. 26 appropriates \$1,800,000 for carfare and bicycle allowance instead of \$1,700,000 as proposed by the House and \$1,900,000 as proposed by the Senate.

Amendment No. 27 appropriates \$13,257,000 for rent, light, power, fuel, and water for first-, second-, and third-class post offices instead of \$13,000,000 as proposed by the House and \$13,457,000 as proposed by the Senate.

Amendment No. 28 provides that of the appropriation of \$36,500,000 for the hire, purchase, maintenance, repair, and operation of vehicles, \$4,514,000 shall be available exclu-

sively for the purchase of trucks, as proposed by the Senate.

Amendment No. 29 appropriates \$520,000 for transportation of equipment and supplies as proposed by the Senate.

AMENDMENTS IN DISAGREEMENT

Amendment No. 6 makes available not to exceed \$100,000 of the funds appropriated for the Bureau of Customs for defraying the expense of a management study of that Bureau. The managers on the part of the House have directed that a motion be made that the House recede from its disagreement to the said amendment and concur therein.

Amendment No. 17 authorizes and directs the Joint Committee on Internal Revenue Taxation to make a study of the enforcement of the internal-revenue laws with a view to ascertaining the numbers of personnel needed to insure the maximum net tax return to the United States, and to report thereon. The managers on the part of the House have directed that a motion be made that the House recede from its disagreement to the said amendment and concur therein with the following amendment thereto: At the end of the matter inserted by said amendment, following the word "Representatives" but preceding the period, insert the following: "on or before January 3, 1948, such report to be filed with the Speaker of the House of Representatives and the President of the Senate if the Congress is not in session on the date of filing thereof".

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JOE B. BATES,
JAMIE L. WHITTEN,

Managers on the Part of the House.

EXTENSION OF REMARKS

Mr. STRATTON asked and was given permission to extend his remarks in the RECORD and include a statement concerning the location of the Oregon Atomic Laboratory in Du Page County, Ill.

Mr. HAND asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. ROBSION asked and was given permission to extend his remarks in the RECORD and include certain excerpts and documents.

Mr. JUDD asked and was given permission to extend his remarks in the RECORD in two instances and in each to include an editorial.

Mr. BUSBEY asked and was given permission to extend his remarks in the RECORD and include a letter addressed to Hon. William Benton, Assistant Secretary of State.

LEGISLATIVE APPROPRIATION BILL

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that it may be in order on tomorrow to consider the legislative appropriation bill.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

MAINTENANCE OF A DOMESTIC TIN-SMELTING INDUSTRY

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent for the immediate consideration of the joint resolution (S. J. Res. 125) to strengthen the common defense and to meet industrial needs for time by providing for the maintenance of a domestic tin-smelting industry.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The Clerk read the joint resolution, as follows:

Resolved, etc., That (a) tin is a highly strategic and critical material of which insufficient ore reserves exist in the United States and of which an adequate supply is vital to the Nation's industrial, military, and naval requirements for the common defense.

(b) Tin is now and for the immediate future will remain in supply short of the requirements of this country's industrial, military, and naval needs.

(c) It is necessary in the public interest and to promote the common defense that Congress make a thorough study and investigation regarding the advisability of the maintenance on a permanent basis of a domestic tin-smelting industry and to study the availability of supplies of tin adequate to meet the industrial, military, and naval requirement of the Nation in time of national emergency.

SEC. 2. The powers, functions, duties, and authority of the United States heretofore exercised by the Reconstruction Finance Corporation (1) to buy, sell, and transport tin, and tin ore and concentrates; (2) to improve, develop, maintain, and operate by lease or otherwise the Government-owned tin smelter at Texas City, Tex.; (3) to finance research in tin smelting and processing; and (4) to do all other things necessary to the accomplishment of the foregoing shall continue in effect until June 30, 1949, or until such earlier time as the Congress shall otherwise provide, and shall be exercised and performed by the Reconstruction Finance Corporation while that Corporation has succession, and thereafter by such officer, agency, or instrumentality of the United States as the President may designate.

SEC. 3. The Reconstruction Finance Corporation or the officer, agency, or instrumentality of the United States subsequently designated by the President shall render a full report to Congress on all its activities under this joint resolution not later than December 31, 1947, and at the end of each 6 months thereafter.

The joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

House Resolution 260 was laid on the table.

SPECIAL ORDER

The SPEAKER. Under previous order of the House, the gentleman from California [Mr. KING] is recognized for 30 minutes.

NEWSPRINT CONCERNS DEFY COURTS OF THE UNITED STATES

Mr. KING. Mr. Speaker, I should like to call the attention of this House to a situation which is of vital importance to every newspaper and every newspaper reader in this country.

There have been, I am sure, several thousand definitions of our constitutional freedom of the press, but the man in the street finds freedom of the press for him—is his ability to purchase and read the newspaper of his choice.

Today that choice is becoming extremely limited. Due to a shortage of newsprint, and a "grey market" operation in some of the newsprint which is available, the smaller publishers and the publishers without the backing of "big

TREASURY AND POST OFFICE DEPARTMENTS
APPROPRIATION BILL, 1948

JUNE 26, 1947.—Ordered to be printed

Mr. CANFIELD, from the committee of conference, submitted the following

CONFERENCE REPORT

[To accompany H. R. 2436]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2436) making appropriations for the Treasury and Post Office Departments, for the fiscal year ending June 30, 1948, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 4, 13, and 18.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 7, 8, 10, 11, 12, 16, 23, 28, and 29, and agree to the same.

Amendment numbered 3:

That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$200,000; and the Senate agree to the same.

Amendment numbered 5:

That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$32,925,000; and the Senate agree to the same.

Amendment numbered 9:

That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$188,000,000; and the Senate agree to the same.

Amendment numbered 14:

That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$100,000,000; and the Senate agree to the same.

Amendment numbered 15:

That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$72,000,000; and the Senate agree to the same.

Amendment numbered 19:

That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$1,115,000; and the Senate agree to the same.

Amendment numbered 20:

That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$910,000; and the Senate agree to the same.

Amendment numbered 21:

That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$1,332,500; and the Senate agree to the same.

Amendment numbered 22:

That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$712,500; and the Senate agree to the same.

Amendment numbered 24:

That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$1,600,000, and the Senate agree to the same.

Amendment numbered 25:

That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$487,400,000; and the Senate agree to the same.

Amendment numbered 26:

That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$1,800,000; and the Senate agree to the same.

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That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment as follows:

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The committee of conference report in disagreement amendments numbered 6 and 17.

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Managers on the Part of the Senate.

STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

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Amendment No. 4 limits funds of the Bureau of Customs for personal services in the District of Columbia to not more than \$826,000, as proposed by the House.

Amendment No. 5 appropriates \$32,925,000 for salaries and expenses of the Bureau of Customs, instead of \$32,500,000 as proposed by the House and \$34,000,000 as proposed by the Senate.

Amendment No. 6 is reported in disagreement.

Amendment No. 7 provides that the amount available to the Bureau of Internal Revenue for printing and binding is not to exceed \$2,530,000, as proposed by the Senate.

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AMENDMENTS IN DISAGREEMENT

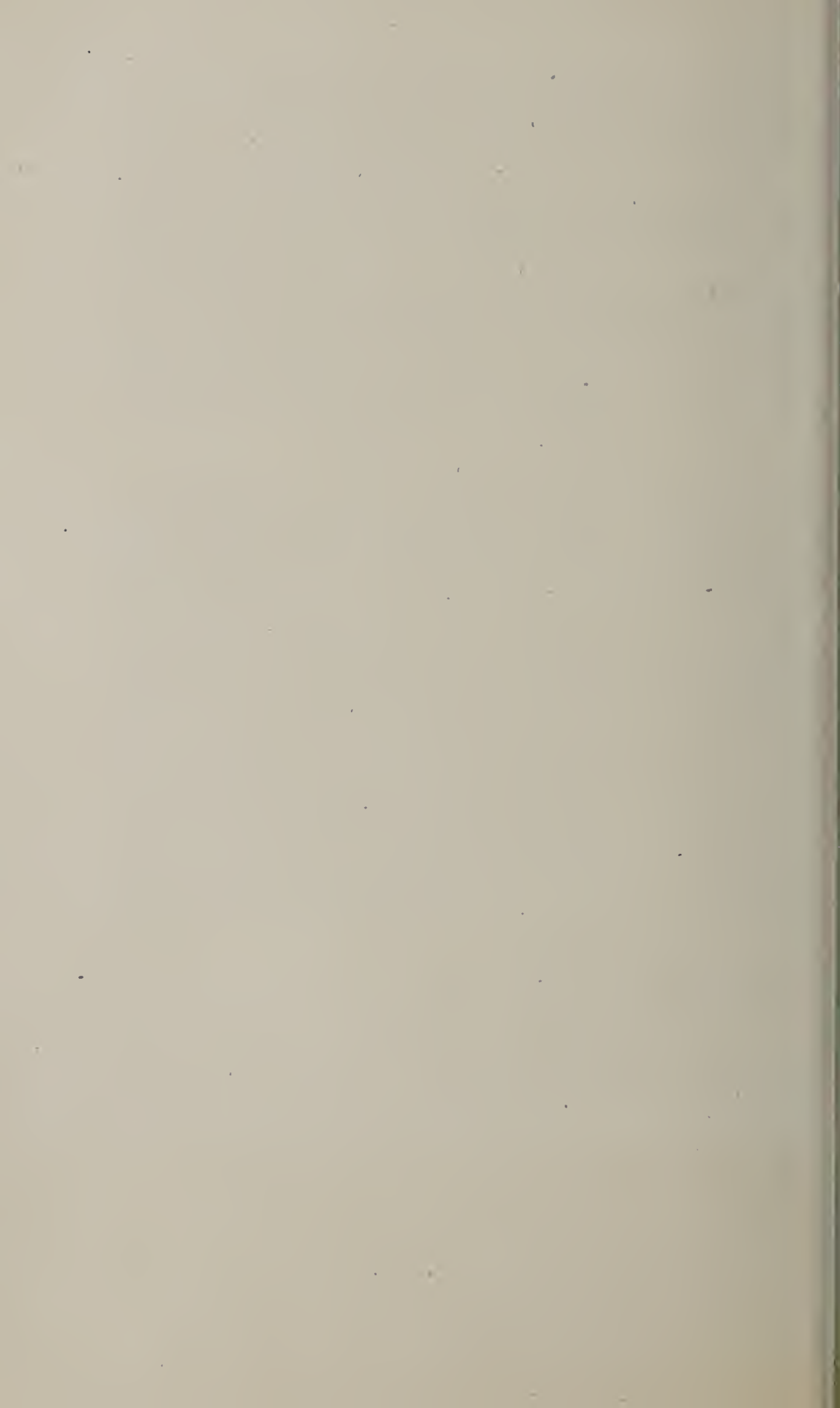
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on or before January 3, 1948, such report to be filed with the Speaker of the House of Representatives and the President of the Senate if the Congress is not in session on the date of filing thereof.

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Managers on the Part of the House





CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
Division of Legislative Reports
(For Department staff only)

Issued June 30, 1947
For actions of June 27, 1947
80th-1st, No. 123

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| Flood control.....6 | Organization, legislative. 2 | War powers.....13,17,20 |
| Foreign, affairs.15,24,29,31 | Personnel.....8,12,25 | Wildlife.....16 |
| | Remount service.....18 | Wool.....11 |

HIGHLIGHTS: President approved 2nd urgent deficiency appropriation bill. House passed bill to continue CCC for a year. House passed legislative appropriation bill; Reps. Cannon, Monroney, Murray discussed Legislative Reorganization Act. House received revised appropriation estimate of \$1,980,000 for Sugar Rationing Adm. Both Houses agreed to conference report on RFC-continuation bill. House received USDA proposal re liquidation of rural-rehabilitation corporations. House committee reported omnibus civil-service retirement bill. Rep. Rich criticized wool-bill veto. Senate passed measure continuing export-control, allocations, and priorities powers until July 15, 1947. Senate passed measure continuing appropriations after June 30, 1947, pending new appropriations. Senate passed bill to create Commission on Organization of Executive Branch. Senate committee reported bill to provide technical information thru Commerce Department. Refugee Organization bill ready for President. Unofficial cotton committee submitted report on Japanese cotton agreement.

HOUSE

1. **COMMODITY CREDIT CORPORATION.** Passed without amendment S. 350, to continue CCC as a U. S. agency, without change, through June 30, 1948. (p. 8000). This bill will now be sent to the President. Rep. Brown, Ga., spoke in favor of continuation of this agency.
2. **LEGISLATIVE APPROPRIATION BILL.** Passed without amendment this bill, H. R. 3993 (pp. 7991-9). For its provisions see Digest 122. Rep. Cannon, Mo., said the bill "is the last step in the complete wreckage of the famous Reorganization Act" and discussed reduction in number of committees, violation of the 3-day lie-over of appropriation bills, legislative provisions on appropriation bills, and the Legislative Reference Service (pp. 7992-5). Rep. Monroney, Okla., defended the Legislative Reorganization Act (pp. 7997-8). Rep. Murray, Wis., defended the Act's provisions regarding committee staffing, saying "there has never been a time that the committee Agriculture had the grasp that they have under this reorganization (p. 7993).
3. **SUGAR RATIONING ADMINISTRATION.** Received from the President a revised estimate of \$1,980,000 to provide funds for price control and industrial rationing of sugar from July 1, 1947, to Oct. 31, 1947, and to provide for liquidation of the program (H. Doc. 367); to Appropriations Committee (p. 8015).
4. **RURAL REHABILITATION.** Received from this Department proposed legislation to provide for liquidation of the trusts under the transfer agreements with State Rural Rehabilitation Corporations; to Agriculture Committee (p. 8015).

5. RECONSTRUCTION FINANCE CORPORATION. Both Houses agreed to the conference report on S. J. Res. 135, to continue RFC on a limited basis until June 30, 1948 (pp. 7999, 7962-9). This measure will now be sent to the President.
6. WAR DEPARTMENT CIVIL APPROPRIATION BILL, H. R. 4002, was reported by the Appropriations Committee (H. Rept. 723). This bill contains appropriations of \$132,041,800 for flood control by the War Department. The committee report states: "In keeping with its policy that provisions constituting permanent substantive legislation should not appear in appropriation bills, the committee has avoided the inclusion of items of that nature."
7. FARM LABOR. Passed without amendment S. 1072, to extend until July 1, 1949, the period during which income from agricultural labor and nursing services may be disregarded by the States in making old-age assistance payments without prejudicing their rights to grants-in-aid under the Social Security Act (pp. 7985-6). This bill will now be sent to the President.
8. CIVIL-SERVICE RETIREMENT. The Post Office and Civil Service Committee reported with amendments H. R. 3872, the omnibus civil-service retirement bill (H. Rept. 726)(p. 8016).
9. TREASURY-POST OFFICE APPROPRIATION BILL. Both Houses agreed to the conference report on this bill, H. R. 2436 (pp. 7957-61, 7989-90). This bill will now be sent to the President. The Senate receded on its amendment to permit higher prices to be paid by the Government for typewriters.
10. FISHERIES. The Merchant Marine and Fisheries Committee reported with amendment H. R. 1693, to provide for U. S. aid to States in fish-restoration and management projects (H. Rept. 728)(p. 8016).
11. WOOL-PRICE SUPPORTS. Rep. Rich, Pa., criticized the President's veto of S. 814 the wool bill, defending the tariff provision (p. 7987).
12. PERSONNEL LOYALTY. Rep. Holifield, Calif., spoke in favor of "preservation of civil liberties" in connection with the personnel-loyalty program (pp. 8006-10).
13. EXPORT CONTROL. Rep. Shafer, Mich., asked for consideration of H. R. 3049, to continue the Export Control Act, but after discussion Rep. Rizley, Okla., objected (p. 8006).
14. ADJOURNED until Mon., June 30 (p. 8015). Legislative program for this week, as announced by Majority Leader Halleck: Mon., bills under suspension of rules, Hawaii statehood; Tues., private calendar, War Department civil appropriation bill; Wed., D. C. appropriation bill; Thurs., continuation of above-mentioned bills; urgent rules at any time; adjournment Fri. through Sun. (p. 8000).
15. FOREIGN AFFAIRS; PURCHASING. The "Daily Digest" states that the subcommittee of the Foreign Affairs Committee ordered* favorably reported H.R. 3891, the International Organizations Procurement Act of 1947 (pp. D452-3).
16. MINERALS; WILDLIFE. The "Daily Digest" states that the subcommittee of the Public Lands Committee ordered* reported with amendment H.R. 2867, permitting mining locations in the State Park Game Sanctuary of Harney National Forest, S. Dak. (p. D453).

*Copies of the bills and reports will not be available until the bills are actually reported, when this Digest will include statements to that effect.

amended, and whose employment was terminated, or who were furloughed, in June 1947, may be reemployed to perform duties in connection with the functions, powers, and duties extended by this act.

APPROPRIATIONS

SEC. 8. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the purposes of this act.

EFFECTIVE DATE

SEC. 9. This act shall take effect on July 1, 1947.

DISTRICT OF COLUMBIA TEACHERS' SALARIES—CONFERENCE REPORT

Mr. CAIN submitted the following report:

DISTRICT OF COLUMBIA TEACHERS' SALARY ACT OF 1947

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3611) to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate and agree to the same.

HARRY P. CAIN,
RALPH E. FLANDERS,
J. HOWARD McGRATH
(by H. C.),

Managers on the Part of the Senate.

EVERETT M. DIRKSEN,
GEORGE J. BATES,
JOS. P. O'HARA,
JNO. L. McMILLAN,
HOWARD W. SMITH,

Managers on the Part of the House.

Mr. CAIN. Mr. President, I ask unanimous consent for the present consideration of the conference report.

There being no objection, the report was considered and agreed to.

TREASURY AND POST OFFICE DEPARTMENT APPROPRIATIONS—CONFERENCE REPORT

Mr. CORDON submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2436) making appropriations for the Treasury and Post Office Departments, for the fiscal year ending June 30, 1948, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 4, 13, and 18.

The the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 7, 8, 10, 11, 12, 16, 23, 28, and 29, and agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$200,000"; and the Senate agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$32,825,000"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amend-

ment of the Senate numbered 9, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$188,000,000"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$100,000,000"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$72,000,000"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$1,115,000"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$910,000"; and the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$1,332,500"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$712,500"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$32,925,000"; and the Senate agree to the same.

Amendment numbered 25: That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$487,400,000"; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$1,800,000"; and the Senate agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$13,257,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 6 and 17.

GUY CORDON,
CLYDE M. REED,
STYLES BRIDGES,
LEVERETT SALTONSTALL,
KENNETH McKELLAR,

Managers on the Part of the Senate.

GORDON CANFIELD,
P. W. GRIFFITHS,
CHARLES R. ROBERTSON,
J. VAUGHAN GARY,
JOE B. BATES,
JAMIE L. WHITTEN,

Managers on the Part of the House.

Mr. CORDON. Mr. President, I ask unanimous consent for the present consideration of the conference report.

There being no objection, the Senate proceeded to consider the report.

Mr. GEORGE. Mr. President, I should like to ask a question about the conference report. I should like to inquire of the Senator from Oregon the amount of money carried in the bill for the Treasury Department. The Senator will recall that the House cut the amount recommended by the Budget by approximately \$30,000,000, and that the Senate increased the amount by \$25,000,000. I should like to inquire of the Senator from Oregon what amount is now carried in the bill for the Treasury Department.

Mr. CORDON. Mr. President, in answer to the question of the senior Senator from Georgia I will say that the item to which he refers, I am sure, is the item in the Treasury Department budget relating to the Bureau of Internal Revenue, and the total amount requested by the Department was \$208,000,000. The House allowed \$178,000,000; the Senate increased that by \$25,000,000 to \$203,000,000, and in the conference the figure was reduced by \$15,000,000, resulting in a conference recommendation of \$188,000,000, or \$10,000,000 more than the House allowed, and \$15,000,000 less than the amount provided for in the Senate amendment.

Mr. GEORGE. Fifteen million dollars less than contained in the Senate amendment?

Mr. CORDON. Exactly.

Mr. GEORGE. So that the force employed in the field and in the various offices throughout the country to collect revenues would be reduced to that extent?

Mr. CORDON. Assuming the approval of the conference report, how the cut will be allocated, Mr. President, I cannot anticipate. That is a matter wholly within the control of the Treasury Department.

I want to be perfectly frank with the Senator from Georgia, and I want to say at this time, Mr. President, that the last action taken by the conferees on the Senate side was on this particular item. Had there been any hope of any better agreement on it, I am sure the conferees would have continued for practically any period of time. It was not a satisfactory figure that was reached, but it was the best figure that could be reached in the conference, and we felt that it was better to reach a figure and get agreement than to return in disagreement to both Houses.

But the information which I have from the Treasury is that it will be most difficult to make the reduction, which is a 10-percent reduction over-all in the estimate for this year in that division of the Treasury. The officials say that it will be most difficult to allocate that reduction in any level manner throughout the activities of the Bureau of Internal Revenue; that it will be necessary to allocate more of the cut to the reduction of enforcement officers than to clerical help. Some of those who were in the conference, particularly those on the House side, disputed that statement very vigorously. The House presented a picture

of more or less inefficiency throughout the Treasury Department and expressed the strong belief that the cut could be taken up without seriously affecting the so-called enforcement officers who are the inspectors and deputy collectors in the field.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. GEORGE. I sincerely hope that is true; but it requires many men in any department to open envelopes, take out checks, and make entries. In other words, the clerical force which is necessary inside of the office cannot be very greatly reduced. This reduction in appropriation will undoubtedly result in the displacement of some 5,000 to 10,000 employees. I would say 5,000 is the minimum of collectors in the field, the people who are responsible for the collection of our taxes.

I am sure the Senator from Oregon has insisted all the while upon the Senate amendment. That is generally known; and I compliment and congratulate him. But actually this reduction will result in a loss of certainly not less than \$300,000,000 in tax collections in the next 2 years. For this reason everyone who is familiar with the Treasury and with the Bureau of Internal Revenue knows that the checking of the returns for 1944 and 1945 is still to be made. It is within those years that large amounts are involved. If there should be a loss because of a lack of sufficient personnel in the field of only 1 percent, that 1 percent itself, in view of the very large amount of taxes involved, would mean a loss to the Treasury Department of at least \$300,000,000.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. GEORGE. I had risen only to ask the Senator about that feature of the bill.

Mr. CORDON. Mr. President, if the Senator from Arkansas will wait a moment, I shall be glad to yield.

Mr. McCLELLAN. I was about to offer some information which the Senator may not have in mind, in connection with what the able Senator from Georgia had pointed out.

Mr. CORDON. I shall be glad to yield to the able Senator from Arkansas for that purpose.

Mr. McCLELLAN. In line with what the able Senator from Georgia said, orders have already gone out from the Bureau of Internal Revenue to the State revenue collectors to remove from the pay roll 2,100 persons between now and the 30th of June. In my State that means that out of 87 field collectors 31 are being removed from the service. I want to say that if this is going to be the policy and procedure with respect to tax collections, it will be simply impossible to do the work and will simply mean that we are saving pennies and losing hundred-dollar bills.

Mr. CORDON. Mr. President, I can reassure the Senator from Arkansas to this extent: The Treasury officials withheld the sending of notices of termination to anyone just as long as possible in the hope that there could be agreement and definite knowledge with reference to

the amount that would finally be evolved as the appropriation for 1948. However, the Under Secretary called the Senator from Oregon 3 days ago and advised him that it was impossible for them to withhold those notices any longer, as they must be received by the proposed recipients by the first of the fiscal year.

It was suggested on the part of the Senator from Oregon and the chairman of the conference committee of the Senate that the step should be taken, because there appeared at the time to be no hope of the conference reaching any figure above that set by the House. So the notices went out, and I am quite sure they were based upon the proposition that the figures set by the House represent the amount by which the Treasury will be bound for the fiscal year.

Mr. McCLELLAN. Does the Senator mean, set by the House or by the conference?

Mr. CORDON. By the House. At that time the conference figure was not known.

Mr. McCLELLAN. I am advised, if the Senator will permit me, that the notices were sent yesterday after the Treasury Department was informed that the conferees had agreed. The notices did not go out until yesterday afternoon, after the Treasury Department had knowledge of what the conference report contained.

Mr. CORDON. The notices were sent. I was advised that the notices would be sent predicated upon the figure in the House bill as it passed the House.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. CORDON. I shall be glad to yield to the Senator from Illinois.

Mr. LUCAS. The Senator from Oregon is one of the able, industrious Senators in this body, and I presume he is completely familiar with what the evidence disclosed before his committee with respect to what these men could do in the way of collecting money from the taxpayers if they were kept on the pay roll. In view of the statement made by the distinguished Senator from Georgia [Mr. GEORGE] I should like to ask whether or not the Senator agrees with the statement that we could collect, by appropriating \$15,000,000, the sum of not less than \$300,000,000 from delinquent taxpayers throughout the Nation.

Mr. CORDON. Mr. President, the Senator from Oregon can express no opinion on that subject, because it would depend upon the class of individuals who are employed and upon the work upon which they are engaged, and it would depend on whether an adequate number were doing that particular work.

Mr. LUCAS. What does the evidence show along that line?

Mr. CORDON. I want to say to the Senator from Illinois that I appreciate his references to the Senator from Oregon. The Senator from Oregon has endeavored, to the extent of his limited ability, to go into this matter in meticulous detail, and has called the officials of the Treasury back on two different occasions for break-downs in figures, not only to make the case before the Senate committee but before the conference committee.

The figures which were presented for a break-down in respect to the inspectors and the revenue agents show one group making collections and another group making recommendations for additional assessments. The break-down included the group of those who had returned nothing for the year, the group of those who had returned up to \$1,000, and so forth, for the entire number. There was one group that did not even make a dent in paying its own way. There was another group, composed of a considerable number of persons, that broke even; in other words, it brought in about what it was being paid in the way of salaries. But the majority returned a collection which would represent, if the groups were combined, approximately \$24 in money as a return for every dollar that was spent in salaries.

Mr. LUCAS. Mr. President, in view of that very candid statement by my distinguished friend the Senator from Oregon, I do not understand how the conferees on the part of the Senate could give way to the conferees on the part of the House in a matter of that kind, when the Senator from Oregon apparently believed, when he took this matter to conference, that for every dollar spent, it would be possible to obtain \$24 in paid taxes for the Treasury of the United States.

Mr. CORDON. Mr. President, the Senator from Illinois is now combining two situations which existed. He has asked about enforcement officers, and that is one thing. But in considering the appropriation for the Bureau of Internal Revenue, we consider everything, from the salary of the Commissioner of Internal Revenue on down to the salary of whoever may be acting as janitor in a collector's office anywhere in the United States. That figure takes in all. The Senator from Illinois has inquired about one group, the total payment to which amounts to approximately \$36,000,000 overall.

Mr. LUCAS. Perhaps I misunderstood the able Senator from Oregon. Let me say that apparently the Appropriations Committee found some good reason, as a result of the evidence which was presented before it, to vote in favor of restoring, not \$1,000,000, but millions of dollars to this particular agency for the purpose of having it collect delinquent taxes throughout the Nation.

Now it is apparent that the conferees on the part of the House simply outtalked the conferees on the part of the Senate, and that seems to be what is going on in practically all the conferences. Even at this late date we cannot get a report on the Budget, because apparently the conferees on the part of the House are outtalking the conferees on the part of the Senate on that subject, also.

It seems to me that after able Senators have heard the evidence and have voted to increase the appropriation by millions of dollars, on the theory that millions upon millions of dollars will be collected from income taxpayers, if the Senate conferees then return from the conference committee and say that the conferees on the part of the House showed figures which the Senators did not know

anything about, and that that is the reason why the Senators gave in to the position of the conferees on the part of the House—or perhaps I misunderstood the Senator from Oregon—

Mr. CORDON. Mr. President, the Senator from Illinois not only misunderstood, if that is his view, but the Senator from Oregon has made no statement of that character anywhere in the course of his presentation of this matter.

Mr. LUCAS. I thought the Senator said that the Appropriations Committee convinced them, by citing facts and figures, that the appropriation should be reduced. Perhaps I am mistaken about that. If that is not the case, then why did the conferees on the part of the Senate decide to reduce the appropriation?

Mr. CORDON. The conclusion that was reached in the conference was based upon the same motivating factors which called for a conference. The Senator from Illinois knows as well as does the Senator from Oregon that when there is a conflict of views on the part of people all over the United States, people of all shades of opinion, in regard to any legislation, the legislative proposals which finally emerge are a compromise.

So I say that the action taken by the conference committee was a compromise, Mr. President. If the Senator from Oregon could have dictated the provision, it would have called for the figure as passed by the Senate. But, unfortunately, the Senator from Oregon had only one vote in the conference committee. The Senator wishes to compliment those who acted on the conference committee, representing the Senate there, in standing fast as long as they could, and in obtaining a compromise agreement.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. CORDON. I yield.

Mr. BARKLEY. Regardless of who yielded to whom and who out talked whom, the result is that the cut which was administered in the House to this division of the Treasury was practically retained in the conference report.

Mr. CORDON. No; it was not. The conference report recommends an increase of \$10,000,000 over the figure voted by the House of Representatives.

Mr. BARKLEY. Yes; but it is still approximately \$15,000,000 less than the Senate figure and \$30,000,000 less than the budget estimates.

Mr. CORDON. No; it is \$20,000,000 less than the budget estimate, \$15,000,000 less than the Senate figure, and \$10,000,000 more than the House figure.

Mr. BARKLEY. Yes; that is the situation as to the sum total.

It is true that currently about \$2,000,000 a year is being recovered into the Treasury by the operations of these field men of the Bureau of Internal Revenue who go after delinquent taxpayers and those persons who have sought to, and have succeeded in, avoiding taxation.

Mr. CORDON. Let me say that the record indicates that approximately \$560,000,000 is being collected, and \$1,200,000,000 is being recommended, of which approximately three-quarters, according to experience heretofore, may result in collections.

Mr. BARKLEY. But with the present force in the Treasury, only approximately 3 percent of tax returns can possibly be screened. There may be a vast amount of money which should be returned to the Treasury; but with the present force it is possible to examine only about 3 percent of the total returns and to make recommendations as to them. So it is possible to examine only the outstanding cases in which there may be recoveries.

If it be true that the rate of recovery mentioned is possible with the present force of the Treasury, and if it be true that this reduction below the budget estimate—which I think is based upon the present force—would result in a loss of approximately \$300,000,000 in taxes to the people, does the Senator from Oregon think it is good business, aside from politics and aside from legislation, to save \$15,000,000 or \$20,000,000, even, and to lose \$250,000,000 or \$300,000,000 in revenue?

Mr. CORDON. Mr. President, the Senator asks a question as an abstract proposition. Of course, the question answers itself.

The Senator from Oregon is not prepared to admit that under the facts in this case and all the evidence, this cut must be taken entirely out of the funds for enforcement officers.

Mr. BARKLEY. That may be true, but most of it will come out of the enforcement branch.

Mr. CORDON. In that event, let us blame those who take it out of enforcement, when they could take it from some other source.

Mr. BARKLEY. We cannot shun the blame which should rest upon the Congress if we swap \$300,000,000 for \$20,000,000.

Mr. CORDON. Mr. President, I am not prepared to concede that any such thing will occur.

Mr. SALTONSTALL. Mr. President, will the Senator yield to me?

Mr. CORDON. I yield.

Mr. SALTONSTALL. Let me say, in support of the position of the Senator from Oregon, that I was present at the committee session at which the amount of \$25,000,000 additional was agreed upon by the committee. I was also present at several of the sessions of the Committee on Conference, and I was present when this additional amount was voted.

I say most respectfully to the Senator from Georgia and the Senator from Kentucky that I believe that the chairman of the subcommittee did the best he could under all the circumstances. The highest amount the House would increase its recommendation at all was \$3,000,000, and only two out of the four members would agree to that amount. The figure finally agreed upon was \$10,000,000.

Let me say further to the Senator from Kentucky that in the committee's report it is specifically stated that the Bureau of Internal Revenue should insure that its enforcement activities are not curtailed in the process of any readjustment of its budget program.

The objection raised by most of the conferees on the part of the House was that there is a super number of clerks

who do not give a full day's work for the pay they receive, and there was a very strong feeling by certain of the conferees on the part of the House that the number of such clerks should be reduced.

I would say that one Member of the House who served on the conference committee refused to sign the report because he would not stand for any adjustment upwards. One of the conferees on the part of the Senate refused to sign the report because he thought the amount was not large enough. Although I was only one member of the conference committee, I felt, after several weeks of negotiation, that all the Post Office appropriations and all the other Treasury appropriations should not be held up any further.

Personally, I should have liked to see a larger amount provided; but let me say that I think the Senator in charge of the bill did the best he could do over a long period of time, and that he obtained about as much from the conference as could be obtained from it.

Mr. BARKLEY. Mr. President, I hope that nothing I have said or any inquiry I have made will be interpreted as any criticism of the chairman of the subcommittee or any other Senator who served as a conferee on the part of the Senate. I am satisfied that the Senator from Oregon and his colleagues did everything they could do. They had a tough situation to deal with; and of course there must come a time, at some juncture in any conference, when an agreement must be entered into.

The very fact that the Senator from Oregon felt that there ought to be more money available, and that the Senator from Massachusetts felt the same way, and other Senate members of the conference felt the same way, confirms my belief that the cut is entirely too deep, and that we will lose money, so far as the Treasury of the United States is concerned, by reason of what may be described as the stubbornness of certain men who insisted on the cut regardless of the result on our internal-revenue collections. I do not blame the Senator from Oregon or any other Senate member of the conference for that.

Mr. GEORGE. Mr. President, will the Senator yield?

Mr. CORDON. I yield.

Mr. GEORGE. I am sure the Senator understands that what I had to say, or the questions I asked, were not in criticism of himself or of any Senate member of the conference. I am quite sure that the chairman of the subcommittee has done his best to sustain the action taken by the Senate itself on this item. I should like to say this, that if the cut could be apportioned throughout the organization in such way as not to fall too heavily upon the collectors—that is, the field men working out of the offices of the collectors—all well and good; but it takes a certain amount of overhead to handle a volume of business such as the Bureau of Internal Revenue is now handling. This cut, although it seems insignificant, will certainly result, in my judgment, in a reduction of from 5 percent to 10 percent in the field forces, and, since the great bulk of the in-

comes, beginning in 1943, but particularly the later ones, in 1944 and 1945, are yet to be handled, I am quite sure that a very slight reduction in that force will result in a considerable Treasury loss.

Mr. KILGORE. Mr. President, will the Senator yield?

Mr. CORDON. I yield.

Mr. KILGORE. Mr. President, I wonder if the Senator from Oregon ever participated in the trial of criminal cases.

Mr. CORDON. The Senator from Oregon spent 11 years as a prosecuting attorney; so necessarily he participated in the trial of criminal cases.

Mr. KILGORE. The Senator from West Virginia spent a number of years as a criminal court judge. We never counted cost against the question of convicting a guilty party. Is not that correct?

Mr. CORDON. There were times when the question at least was considered, but generally speaking, I will agree with the Senator from West Virginia.

Mr. KILGORE. Has the Senator from Oregon ever considered the report of the committee investigating banking, which told of a very distinguished man now dead, one J. P. Morgan, who said that he paid income taxes in England, but did not pay in the United States, because it was not cricket in England to dodge the income tax, but it was considered as a sort of great indoor sport in America. As long as we speak in terms of a 2- or 3- or 4-percent spot check, it is going to be a great indoor sport to dodge taxes in this country. On the other hand, once we get down to a 100-percent check-up, it will cease to be an indoor sport, and the same attitude will prevail that now prevails among the British people toward the question.

May I say that in this I am not criticizing the Senator from Oregon for his action, because I have been on a conference committee or two, myself, and I know the difficulties which confront the Senator from Oregon. But I think it is time for the people of the United States—not only the Senator from Oregon, not only the Senator from Massachusetts, but the people of the United States—to realize suddenly that it is better for us to spend 99 percent of the recovery, for a year or two, to effect a 100 percent recovery, than it would be to throw the thing out the window and lose a tremendous amount of money. That is the point I am making. That is the thing I think the Senate should consider, that we should educate the people of the United States to the fact that each of us, regardless of his feelings, must pay his fair share of the operating expenses of the Government.

There is one other thing I may say to the Senator from Oregon. We may not demand so much service from the Government, when, in turn, we have to pay for it. But all of us, as well as the gamblers, the race-track people, all the rest, should understand that. It is only through this enforcement provision that the money is obtained, that we are able to reach the hidden profits that are buried out in the fence corners.

My opposition is based upon the fact that I would like to have, hereafter, a 100

percent enforcement against tax evasion, against the fellow who makes \$200,000 or \$300,000 out of gambling and does not report it, against the fellow who makes a little side money out of something else that is not reported. That is my position, because I think the poor fellow who earns his money across the table and who pays his income tax, whether it be \$1, \$2, \$3, \$4, \$50, or \$100, should be treated the same as the fellow who picks up his money practically for nothing, or as the result of a lucky investment, and then dodges the payment of taxes; whereas, if he lived in England, he would pay it.

We may cuss England, we may fuss at England, we may fuss at the English, but we have to admit there is sportsmanship on the part of the English in dealing with their Government. The American people must be educated to a similar sportsman-like attitude, so that they will pay when they win, and will not growl when they lose to our Government.

May I again apologize? I am not criticizing the chairman of the subcommittee, I am not criticizing the Senator, or any other member of the conference. I think we should insist to the House that the utmost be done in the matter of enforcement. This little spot enforcement, 3 percent or 5 percent or 6 percent, does not do much good, because everybody figures, "Well, I can get by; I am one of the 95 or 96 or 97 percent who are not going to be checked. It is that group that must be educated, that must be checked, who must learn that they must play ball with the Government. They should, in other words, learn that they should become 100 percent American citizens. If we could collect 100 percent of the taxes in the United States of America, the reductions that have been proposed in Congress would be insignificant, and we would still have plenty of money with which to carry on the Government.

Mr. REED. Mr. President, will the Senator yield?

Mr. CORDON. I yield to the Senator from Kansas.

Mr. REED. Mr. President, I want the Senator from Georgia to know that I was a member of the Appropriations Committee at the time the Internal Revenue Bureau was first given \$30,000,000 additional to employ additional internal revenue collectors and enforcement officers. I was a member of the Appropriations Committee when that was done. I think it has worked out to the benefit of the Government. I accept the statement of the Internal Revenue Bureau that it has collected in revenue from \$5 to \$24, or some such sum, for every dollar expended. I do not quite share the view of the Internal Revenue Bureau that no economy could be effected in the clerical forces throughout the country. However, this is all I wanted to say, and I hoped the Senator from Kentucky would be here. I had a share in the conferences. I was one of the conferees on this bill. This was as tough a conference as I have ever attended. I think we got all that can be had. So far as I am concerned, it would not hurt my pride a particle if the Senate refused to accept the conference report and sent it back to conference. All I would want would be to be excused from further service on the conference committee. I think we got

out of this all we could get, and it was then for us to determine whether or not we wanted to make a report to the Senate on the basis of what we thought we could get.

The PRESIDENT pro tempore. The question is on agreeing to the conference report.

Mr. GEORGE. Mr. President, I would say to the Senator from Kansas that it is my understanding that our conferees got everything that could be gotten.

Mr. REED. Our only choice was whether we should come back to the Senate and make a report recommending its acceptance or whether we should insist upon something more.

Mr. GEORGE. I would not oppose the conference report because we did not get what we ought to have, as I think; but I do think that it is a great mistake to deny, say, \$5,000,000 or \$10,000,000, on this particular item, when we have already a field force that is capable of checking only a small percentage of the total tax.

Mr. REED. Mr. President, I agree entirely with the Senator from Georgia in that.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. CORDON. I shall be glad to yield in just one moment. I should like to make one statement, Mr. President, that the Senate bill carried an amendment to the House bill requesting the Joint Committee on Internal Revenue Taxation of the two Houses to investigate the conditions in the field service, and the collection of internal revenue, as to the cost thereof, and as to the advisability of more or fewer enforcement officers.

I shall presently call up an amendment to the amendment of the Senate, made by the House, suggesting that such a report be before both Houses by the 1st of January. That will be an independent investigation into the whole problem, directed by the Joint Committee on Internal Revenue Taxation as having the most experience in this field.

I yield to the Senator from Arkansas.

Mr. FULBRIGHT. Mr. President, there is one other aspect of this. I do not want to go over the question of how much we will lose by cutting down on the force, but there is another aspect that from my own knowledge seems to me exceedingly bad, a result which I think we shall pay for in other ways than in the loss of money. In my own little town, which is certainly a small town industrially speaking, and in the matter of wealth, when a few of the people who made money during the days of OPA, the very years that will be checked, have suddenly acquired the means of purchasing choice pieces of real estate throughout the town, and farms, the effect on all the other people is really bad. I know this from the way they present it to me, both in person, when I return home, as I did recently, and in letters. They have the feeling and take the attitude, "Well, if you are not going to make these people pay we will not feel deeply interested in paying." Of course, they know in a town of that size, which individuals have made money in the automobile black market and in other black markets. The people who made their money in the black market are now the most prosperous people. The people

in that town expect me to see to it that those who made their money in the black market pay their taxes. I have no way of doing so. I am obliged to pass that problem on to the Internal Revenue Bureau. The collector of internal revenue has told me he would be glad to check into the matter, but he said, "Every agent we have is already assigned to cases, and I do not know when we can come to it."

That situation has existed for 6 months to a year. The reaction would naturally be, "Well, if the Government is not going to collect from those who have made their money in the black market, who have made their money illegally, certainly there is no reason why I should pay." The bankers in the little towns will tell Senators how more and more people are beginning the use of \$100 bills and \$1,000 bills and not keeping books on their transactions. They have seen the punishment meted out to the few who have been caught, and have seen that on the whole, the penalties which must be paid by those who are not doing the right thing are relatively small. That is inducing more and more people simply to quit legitimate business methods. I think it is injurious in that it lowers the general respect for the Government. That is not speculation. I know that to be the case. I am sure it is true in all other States.

Mr. CORDON. The Appropriations Committee cannot impose a penalty, and in this instance, set up a figure which is only 10 percent, over-all, less than the total budget estimate.

Mr. FULBRIGHT. Mr. President, will the Senator yield for a question?

Mr. CORDON. I yield.

Mr. FULBRIGHT. Would the Senator care to speculate upon the attitude of the House if the Senate, after due consideration, instructed the conferees on the part of the Senate to go back and insist upon the increase of \$10,000,000?

Mr. CORDON. The Senator from Oregon does not desire to indulge in any speculation. The Senator from Oregon brought to the Senate the best conference report that could have been gotten, and so far as the Senate is concerned, it is at utter liberty to do what it pleases with the report.

The PRESIDENT pro tempore. The question is on the adoption of the conference report.

Mr. HILL. Mr. President, the Senator from Oregon has spoken about a provision in the bill, placed in it by the conferees, providing for the Joint Committee on Taxation to make a study of this matter. If the joint committee makes a study of the matter, is there anything the joint committee of itself can do other than to make a report to Congress? Does the language inserted by the conferees provide for a report or provide for any action by the committee?

Mr. CORDON. No action other than the report. That report, however, could be the basis for action in a supplemental way at the beginning of the next Congress, which would be only after the lapse of 6 months of the fiscal year 1948.

Mr. HILL. That would be at least 6 months off.

Mr. CORDON. Well, if there were a 10 percent reduction, and only 50 per-

cent of the time had elapsed, a great loss would not be suffered if a supplemental appropriation were received at the end of 6 months. However, I suggest again that what will come in that respect is speculation.

Mr. HILL. It is speculation. In other words, the Senator does not pin too much hope on that committee.

Mr. CORDON. The Senator from Oregon expects that the committee will go into the matter. It has indicated that it is interested in it, and the Appropriations Committee is looking forward to a comprehensive report after a thorough investigation has been made by that committee.

Mr. HILL. I did not mean that the committee would not go into the matter. Knowing the members of the committee as I do, and how conscientious and devoted they are, I am sure the committee will go into the matter very painstakingly and very thoroughly. The difficulty that arises is that no action could be expected for six months, and even then the committee has no power to do anything of its own accord. All it could do would be to make a report in the hope that the Appropriations Committees of the two Houses might take cognizance of the report and might bring in some kind of deficiency item.

Mr. CORDON. The Senator from Alabama is, of course, correct in that statement.

The PRESIDENT pro tempore. The question is on agreeing to the conference report. [Putting the question.] The yeas appear to have it.

Mr. FULBRIGHT. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. REED (when his name was called). I have a general pair with the senior Senator from New York [Mr. WAGNER]. I transfer that pair to the Senator from New Hampshire [Mr. TOBEY] and will vote. I vote "yea."

The roll call was concluded.

Mr. WHERRY. I announce that the Senator from Vermont [Mr. AIKEN] and the Senator from Connecticut [Mr. BALDWIN] are absent by leave of the Senate.

The Senator from West Virginia [Mr. REVERCOMB] is necessarily absent.

The Senator from New Hampshire [Mr. TOBEY] is necessarily absent because of illness in his family, and is paired with the Senator from New York [Mr. WAGNER].

The Senator from Iowa [Mr. WILSON] is absent on official business.

The Senator from California [Mr. KNOWLAND] and the Senator from Maine [Mr. WHITE] are unavoidably detained on committee business.

Mr. LUCAS. I announce that the Senator from South Carolina [Mr. JOHNSTON], the Senator from Montana [Mr. MURRAY], and the Senator from North Carolina [Mr. UMSTEAD] are absent on public business.

The Senator from Utah [Mr. THOMAS] is absent by leave of the Senate, having been appointed a delegate to the Inter-

national Labor Conference at Geneva, Switzerland.

The Senator from Georgia [Mr. GEORGE], the Senator from Texas [Mr. O'DANIEL], the Senator from Louisiana [Mr. OVERTON], the Senator from Tennessee [Mr. STEWART], and the Senator from Maryland [Mr. TYDINGS] are necessarily absent.

The Senator from Georgia [Mr. RUSSELL] is detained on official business at an important committee meeting.

The Senator from New York, who is absent because of illness, has a general pair with the Senator from Kansas [Mr. REED]. The transfer of that pair to the Senator from New Hampshire [Mr. TOBEY] has previously been announced by the Senator from Kansas.

The result was announced—yeas 51, nays 26, as follows:

YEAS—51

| | | |
|-----------|----------------|-----------------|
| Ball | Dworshak | Martin |
| Brewster | Ecton | Millikin |
| Bricker | Ellender | Moore |
| Bridges | Ferguson | Morse |
| Brooks | Flanders | Reed |
| Buck | Gurney | Robertson, Va. |
| Bushfield | Hawkes | Robertson, Wyo. |
| Butler | Hickenlooper | Saltonstall |
| Byrd | Ives | Smith |
| Cain | Jenner | Taft |
| Capehart | Johnson, Colo. | Thye |
| Capper | Kem | Vandenberg |
| Chavez | Langer | Watkins |
| Connally | Lodge | Wherry |
| Cooper | McCarthy | Wiley |
| Cordon | McKellar | Williams |
| Donnell | Malone | Young |

NAYS—26

| | | |
|-----------|-----------|---------------|
| Barkley | Holland | Maybank |
| Downey | Kilgore | Myers |
| Eastland | Lucas | O'Connor |
| Fulbright | McCarran | O'Mahoney |
| Green | McClellan | Pepper |
| Hatch | McFarland | Sparkman |
| Hayden | McGrath | Taylor |
| Hill | McMahon | Thomas, Okla. |
| Hoey | Magnuson | |

NOT VOTING—18

| | | |
|-----------------|--------------|---------|
| Aiken | O'Daniel | Tobey |
| Baldwin | Overtton | Tydings |
| George | Revercomb | Umstead |
| Johnston, S. C. | Russell | Wagner |
| Knowland | Stewart | White |
| Murray | Thomas, Utah | Wilson |

So the report was agreed to.

The PRESIDENT pro tempore laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 2436, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.,

June 27, 1947.

Resolved, That the House recede from its disagreement to the amendment of the Senate No. 6 to the bill (H. R. 2436) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1948, and for other purposes, and concur therein.

That the House recede from its disagreement to the amendment of the Senate No. 17 to said bill and concur therein with an amendment as follows: At the end of the matter inserted by said amendment, following the word "Representatives" but preceding the period, insert the following: "on or before January 3, 1948, such report to be filed with the Speaker of the House of Representatives and the President of the Senate if the Congress is not in session on the date of filing thereof."

Mr. CORDON. Mr. President, I move that the Senate agree to the amendment of the House to the amendment of the Senate No. 17.

The motion was agreed to.

ORDER OF BUSINESS

Mr. TAFT. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. TAFT. If the Senate meets on Monday at 11 o'clock and a motion is made to proceed to the consideration of the concurrent resolution relating to Reorganization Plan No. 2, will that motion supersede all other business?

The PRESIDENT pro tempore. That is the opinion of the Chair.

Mr. TAFT. A further parliamentary inquiry, Mr. President. If at that time a motion is made to limit debate to 2½ hours, to be divided equally, instead of the 10 hours provided in the act, will such a motion be in order?

The PRESIDENT pro tempore. The motion will be in order, and will not be debatable.

Mr. TAFT. It will not be debatable, and will be decided by majority vote?

The PRESIDENT pro tempore. The Senator is correct.

Mr. BARKLEY. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. BARKLEY. I inquire whether that means that a motion to limit debate can be made as a part of the motion to proceed to consider the concurrent resolution, or whether it will be made later.

The PRESIDENT pro tempore. The motion to limit debate is a separate motion.

Mr. TAFT. That is my understanding.

Under those circumstances—although I understand that Senators who objected to the unanimous-consent request are not particularly insisting on the objection—I understand that an order will be made to meet at 11 o'clock on Monday, thus dispensing with a Saturday session. On Monday a motion will be made to proceed to the consideration of the concurrent resolution relating to Reorganization Plan No. 2; and following that, a motion will be made to limit debate to two and a half hours, along the general line of the unanimous-consent agreement. Therefore, under the ruling of the Chair, it will not be necessary to ask further unanimous consent with relation to this particular matter.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. WILEY. I heard the distinguished Senator say that it was proposed to go over until Monday. It seems to me that we must have definite action either today or tomorrow on the question which we are supposed to be discussing, because, as I understand, the Second War Powers Act, and also the Export-Import Act, will expire on the 30th of June unless extended, as we have provided for in the bill.

I hope we may soon reach the point of discussing this question, and I hope we can have action on it today—if not today, tomorrow—because personally I have some pretty strong convictions as to the importance of the bill. I believe that the Committee on the Judiciary likewise has strong convictions. I should like to have the reaction of the distin-

guished Senator from Ohio as to what he thinks the procedure should be.

Mr. TAFT. Mr. President, we have already had so many protests against meeting on Saturday that we do not wish to have such a meeting unless it is necessary. If the concurrent resolution is disposed of in two and a half hours after we meet at 11 o'clock, we shall be finished with it by 2 o'clock, and we can continue on Monday afternoon, with a night session on Monday, until the bill is disposed of.

I point out to the Senator that even if the Second War Powers Act should expire, and if there should be a hiatus of a day or so, the action of the Congress would promptly restore it. We had such a case in connection with the continuation of the President's power to devalue the dollar. There was a considerable hiatus in that instance. Several other similar examples have occurred; so the hiatus is not absolutely fatal.

On the other hand, with respect to the reorganization plan, there is a final dead line. The question must be settled on Monday. It was not the intention to meet tomorrow. However, we can proceed now with the consideration of the bill, and we shall have most of Monday to devote to it. Of course, it will probably be necessary to have a conference with the House, and to wait until the conference report is received.

Mr. WILEY. Does the distinguished Senator suggest that we introduce a separate measure continuing the present status of these acts for 2 weeks, say?

Mr. TAFT. I do not think it is at all necessary. The bill is certain to be passed on Monday or Tuesday. It seems to me that the bill is certain to be passed on Monday. The only question is whether the conference report can be agreed to before Tuesday. So far as I know, the hiatus of a few hours or a day or so means nothing.

EXTENSION OF RECONSTRUCTION FINANCE CORPORATION — CONFERENCE REPORT

Mr. BUCK submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the joint resolution (S. J. Res. 135) to extend the succession, lending powers, and the functions of the Reconstruction Finance Corporation, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

"TITLE I—AMENDMENT TO RECONSTRUCTION FINANCE CORPORATION ACT

"SECTION 1. The Reconstruction Finance Corporation Act, as amended, is hereby amended to read as follows:

"SEC. 1. There is hereby created a body corporate with the name "Reconstruction Finance Corporation" (herein called the Corporation), with a capital stock of \$325,000,000 subscribed by the United States of America. Its principal office shall be located in the District of Columbia, but there may be established agencies or branch offices in any city or cities of the United States under

rules and regulations prescribed by the board of directors. This Act may be cited as the "Reconstruction Finance Corporation Act."

"SEC. 2. The management of the Corporation shall be vested in a board of directors consisting of five persons appointed by the President of the United States by and with the advice and consent of the Senate. Of the five members of the board, not more than three shall be members of any one political party and not more than one shall be appointed from any one Federal Reserve district. Each director shall devote his time principally to the business of the Corporation. The terms of the directors shall be two years but they may continue in office until their successors are appointed and qualified. Whenever a vacancy shall occur other than by expiration of term the person appointed to fill such vacancy shall hold office for the unexpired portion of the term of the director whose place he is selected to fill. The directors, except the chairman, shall receive salaries at the rate of \$12,500 per annum each. The chairman of the board of directors shall receive a salary at the rate of \$15,000 per annum.

"SEC. 3. (a) The Corporation shall have succession through June 30, 1948, unless it is sooner dissolved by an Act of Congress. It shall have power to adopt, alter, and use a corporate seal; to make contracts; to lease or purchase such real estate as may be necessary for the transaction of its business, to sue and be sued, to complain and to defend, in any court of competent jurisdiction, State or Federal: *Provided*, That the Corporation shall be entitled to and granted the same immunities and exemptions from the payment of costs, charges, and fees as are granted to the United States pursuant to the provisions of law codified in sections 543, 548, 555, 557, 578, and 578a of title 28 of the United States Code, 1940 edition, to select, employ, and fix the compensation of such officers, employees, attorneys, and agents as shall be necessary for the transaction of the business of the Corporation, in accordance with laws, applicable to the Corporation, as in effect on June 30, 1947, and as thereafter amended; and to prescribe, amend, and repeal, by its board of directors, bylaws, rules, and regulations governing the manner in which its general business may be conducted. Except as may be otherwise provided in this Act or in the Government Corporation Control Act, the board of directors of the Corporation shall determine the necessity for and the character and amount of its obligations and expenditures under this Act and the manner in which they shall be incurred, allowed, paid, and accounted for, without regard to the provisions of any other laws governing the expenditure of public funds and such determinations shall be final and conclusive upon all other officers of the Government. The Corporation shall be entitled to the use of the United States mails in the same manner as the executive departments of the Government.

"(b) Notwithstanding any other provision of law, the right to recover compensation granted by the Act approved September 7, 1916, as amended (5 U. S. C., sec. 751), shall be in lieu of, and shall be construed to abrogate, any and all other rights and remedies which any person, except for this provision, might, on account of injury or death of an employee, assert against the Corporation or any of its subsidiaries.

"SEC. 4. (a) To aid in financing agriculture, commerce, and industry, to help in maintaining the economic stability of the country and to assist in promoting maximum employment and production, the Corporation, within the limitations hereinafter provided, is authorized—

"(1) To purchase the obligations of and to make loans to any business enterprise organized or operating under the laws of

to this war of any people under the American flag; and yet they draw the smallest old-age pension of any people under the American flag.

If you want to do justice to the old people let us do it in a national way and treat them all alike.

PERMISSION TO ADDRESS THE HOUSE

Mr. HOLIFIELD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

CIVIL LIBERTIES

Mr. HOLIFIELD. Mr. Speaker, history shows that after each of our great wars there has been a wave of fanaticism, a wave of persecution, and a wave of denial of civil liberties to the individual.

I have asked today for a special order after the completion of business to speak on this subject. I believe it is a subject that can be spoken of with a great deal of benefit at this particular time.

We should be alert to the smallest encroachment on our basic liberties. It is indeed true that "Eternal vigilance is the price of liberty."

EXTENSION OF REMARKS

Mr. PRICE of Illinois asked and was given permission to extend his remarks in the RECORD and include therewith a statement by the Catholic War Veterans.

EXTENSION OF MARITIME COMMISSION

Mr. WEICHEL. Mr. Speaker, I ask unanimous consent to file a report to accompany the bill H. R. 3911.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

HUNTER A. HOAGLAND—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 368)

The SPEAKER laid before the House the following message from the President of the United States:

To the House of Representatives:

I return herewith without my approval H. R. 723, "An act for the relief of the legal guardian of Hunter A. Hoagland, a minor."

The purpose of this bill is to pay to the legal guardian of Hunter A. Hoagland, a minor, of Glen Rock, N. J., the sum of \$3,000 on account of personal injuries sustained and medical and hospital expenses incurred as a result of the explosion of an Army shell.

It appears that on January 27, 1944, two gun positions occupied by an Army antiaircraft artillery battalion near Glen Rock, N. J., were vacated by the battalion in compliance with military orders which also directed that all ammunition then on the positions be left there. Four boxes of live 40-millimeter antiaircraft shells were left in the canvas-curtained compartment or magazine inside a revetment, and the balance of the ammunition was stored in the ammunition dump located on the area where the positions were situated. The entire area was sur-

rounded by a barbed-wire fence. When the battalion vacated the area a sergeant and six other enlisted men were left behind to guard the Government property left on the area.

It further appears that prior to February 8, 1944, several boys from Glen Rock had on a number of occasions entered upon the gun positions and taken live ammunition both from the revetment and from the ammunition dump and carried it away; that they had also built fires and had exploded some of the shells by placing them in the fires; and that they had taken other shells apart so that the powder could be removed and burned. On February 8, 1944, these boys while at school told Hunter A. Hoagland, 15 years of age, about the live ammunition at the gun positions, and at about 7 p. m. on that evening he, with two of the boys, proceeded to the positions. When they approached the fence surrounding the area in question they saw a light in one of the barracks, but not seeing any soldiers, they climbed through the fence at a point not visible from the barracks. Entering the revetment they removed nine rounds of 40-millimeter ammunition from an open ammunition box and placed them in a knapsack. After being on the military reservation for about 15 minutes the boys returned to their homes, and Hunter A. Hoagland took with him one of the shells. On February 28, 1944, he attempted to remove the charge from the shell in the basement of his home by drilling a hole in the shell case. The shell exploded and the boy sustained serious injuries to his right knee and both of his hands and minor lacerations on his face and neck. It was subsequently found necessary to amputate the distal end of his right index finger and the thumb and the third and fourth fingers of his left hand.

The evidence in this case clearly establishes that Hunter A. Hoagland was a trespasser on a military reservation when he obtained the shell by which he was injured. He and his companions were not casual or unintentional trespassers, but went upon the reservation with the fixed design to take and carry away live ammunition. They approached the reservation from a direction which gave them concealment from the soldiers then on guard. They entered by climbing through a fence erected for the purpose of denying the public access to the area. While the boys were filling a knapsack with shells they posted one of their number as a lookout against discovery by the guards.

It is a general rule of law that the possessor of land owes no duty to trespassers other than to abstain from willfully or wantonly injuring them, and so, ordinarily, is not liable for injuries to trespassers caused by conditions on the land or by articles taken by them from the land. It appears that the law of New Jersey, the jurisdiction in which this incident occurred, recognizes no exception to this general rule. While some other jurisdictions allow an exception to such rule of nonliability to trespassers in the case of trespassing children of tender years, this exception is in all cases based on a recognition of the inability of young

children, because of their youth and inexperience, to appreciate the dangers to which they expose themselves. Hunter A. Hoagland, however, was 15 years of age at the time of this incident, attended junior high school, and possessed at least an average intelligence for a boy of his age. He was fully aware of the danger latent in the shell in his possession. Prior to visiting the military area he had been present on, or had been told about, the several occasions when his companions had exploded shells by throwing them into a fire. He had also removed and burned the powder from some of the ammunition, and he knew that shells could be detonated by a blow as well as by fire. He was not a "child of tender years" and as such entitled to protection from dangerous instrumentalities and conditions on the land even though he was trespassing. In attempting to remove the propelling charge from a shell by drilling a hole through the casing he was doing a thing he knew to be dangerous. In so doing he was negligent and his negligence was the sole proximate cause of his injury.

In the light of all the facts and circumstances in this case, there is no justifiable basis for an appropriation for the relief of the legal guardian of Hunter A. Hoagland on account of the injuries sustained by this boy. I am, therefore, obliged to withhold my approval from the bill.

HARRY S. TRUMAN.

THE WHITE HOUSE, June 27, 1947.

The SPEAKER. The objections of the President will be spread at large upon the Journal.

Mr. MICHENER. Mr. Speaker, I move that the message and bill be referred to the Committee on the Judiciary and ordered printed.

The motion was agreed to.

TREASURY-POST OFFICE APPROPRIATION BILL, 1947—CONFERENCE REPORT

Mr. CANFIELD. Mr. Speaker, I call up the conference report on the bill (H. R. 2346) making appropriations for the Treasury and Post Office Departments for the fiscal year 1948 and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of June 26, 1947.)

Mr. CANFIELD. Mr. Speaker, this report is self-explanatory. In several instances events which have transpired since the House originally passed this bill by a unanimous vote on March 11 have caused the House conferees to agree to some increases in funds. In all, the conference report places the final figure of appropriations for the Treasury and Post Office for next year at \$12,402,485,761. This is \$14,455,700 more than when originally passed by the House, but is \$26,520,723 less than passed by the Senate.

Mr. Speaker, I now yield 4 minutes to the gentleman from Connecticut [Mr. MILLER].

Mr. MILLER of Connecticut. Mr. Speaker, it is a wise man who knows when he is licked; however, I do appreciate the opportunity to have a few minutes to comment on amendment No. 13 from which the Senate receded. I am certainly not quarreling with the House conferees. I have too high a regard for them individually to try to press the subject any further if that were possible. I do regret that the Senate did recede on this amendment.

Mr. Speaker, this is the amendment relating to the price ceiling on typewriters. Under existing law and under the House appropriation bill the Government is not allowed to pay more than \$77 for a 10-inch standard typewriter, with higher prices for larger machines. This in spite of the fact that no price ceiling whatever in this law or any other law is placed on other office machines and equipment and with the possible exception of the purchase of automobiles by some departments, as far as I am aware, there is no other price ceiling set by law on the amount that can be paid by the Federal Government for any of the thousand and one commodities which the Government buys.

I have contended throughout this discussion for a principle which is involved here. I do not pretend to know just what is a fair price for a typewriter, but I do know that a ceiling of \$70 was set by law in 1920, which was increased to \$77 a few years ago. I am thoroughly convinced from the figures that have been available to me that as of today a manufacturer cannot build a standard 10-inch typewriter for \$77. The result is that one of our larger typewriter manufacturers has very reluctantly notified the Government it can no longer absorb the losses they have been absorbing on typewriters and can no longer supply the Government at this ceiling price. Other manufacturers have set a quota. Last week one agency of the Government bought 300 electric typewriters at a cost of over \$300 each at the full list price—no discount whatsoever.

I am glad that the committee investigators are going to continue their study during the recess and that they will make a report to the House before January 3, 1948. I am afraid, however, that the report will not be helpful unless they should decide that the principle of trying to write into law a price ceiling is in itself wrong. I would be just as much opposed if the limited language provided that the Government could pay the full retail list price of \$149.50 instead of the existing ceiling of \$77. I do not know where it would lead us if we attempted here in the Congress to write a price ceiling on all of the commodities bought by the Government.

The SPEAKER. The time of the gentleman from Connecticut has expired.

(Mr. MILLER of Connecticut asked and was given permission to revise and extend his remarks.)

Mr. CANFIELD. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to. The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 6: Page 10, line 14, insert as follows: "and of which not to exceed \$100,000 shall be available for defraying, on a contract basis or otherwise, the expense of a management study of the Bureau of Customs."

Mr. CANFIELD. Mr. Speaker, this amendment provides for a management survey of the Bureau of Customs, and has the approval of the Treasury Department.

Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 17: Page 32, line 11, insert as follows:

"The Joint Committee on Internal Revenue Taxation is authorized and directed to make a study of the enforcement of the internal-revenue laws with a view to ascertaining the numbers of deputy collectors, revenue agents, and other personnel, who should be employed by the Bureau of Internal Revenue in order to insure the maximum net return to the United States from taxes imposed by such laws, and to report the results of such study to the Senate and the House of Representatives."

Mr. CANFIELD. Mr. Speaker, by direction of the House conferees, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANFIELD moves that the House recede from its disagreement to the Senate amendment No. 17 and concur in the same with an amendment as follows: At the end of the matter inserted by said amendment, following the word "Representatives" but preceding the period, insert the following: "on or before January 3, 1948, such report to be filed with the Speaker of the House of Representatives and the President of the Senate if the Congress is not in session on the date of filing thereof."

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

DISTRICT OF COLUMBIA TEACHERS' SALARY ACT OF 1947

Mr. DIRKSEN. Mr. Speaker, I call up the conference report on the bill (H. R. 3611) to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of June 25, 1947.)

Mr. DIRKSEN. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. BATES].

Mr. BATES of Massachusetts. Mr. Speaker, this report of the committee of conference we feel will completely settle the teachers' salary increase bill that was presented to the Congress during the early part of the year. I need not tell the Members of the House that not only is this a bill of far-reaching importance to the 3,700 or 3,800 school teachers in the District, but I think it might well be predicated as the fundamental basis upon which school teachers' salaries all over the country may be considered.

I hold in my hand a printed copy of the committee hearings in relation to the over-all tax system of the District. This committee began this study in the early part of the year and continued through until only a few days ago. A very complete study was made of the whole tax structure over a period of 11 years, from 1937 up to and including the year 1948, upon which the budget laid before the subcommittee on appropriations for the District of Columbia is based.

This bill is of far-reaching importance. While it is true that we did not concur in the recommendations of the Board of Education, and neither did we concur in the recommendations of the Board of Commissioners, we did bring the bill out adjusting the salaries of the school teachers and other employees of the school system and, with few exceptions, it met with the unanimous approval of those who are engaged in the school system of the District and with the approval of the Commissioners of the District.

The amendments we have before us today are amendments that were appended to the bill in the Senate and are minor in nature. They have no real bearing on the substance of the bill itself, except as it relates to leave for certain departmental officers in the school system that do not have any leave today except for personal illness. If, for instance, they have a contagious disease in the family or a death in the home, or any pressing emergency, they do not have any leave pay on that account, as many other employees in the school system do. The Senate amendment in which we ask you to concur simply provides that they be given cumulative sick leave with pay at the rate of 10 days per calendar year. That is all that one amendment provides. In order to bring these attendance and other officers in line with the other employees of the school system, we are asking the House to concur in the Senate amendment in that respect.

The other is a very technical amendment relating to the question of the retirement law. That was associated with the Teachers' Salary Act of 1945, which it was felt was repealed by this new Teachers' Salary Act. We do not feel that it was repealed, but in order to clarify the situation the Senate adopted an amendment that makes it clear that any language in the Teachers' Salary Act of this year does not in any way affect the Teachers' Retirement Act. In other words, it leaves the Teachers' Retirement Act as it is.

[PUBLIC LAW 147—80TH CONGRESS]

[CHAPTER 186—1ST SESSION]

[H. R. 2436]

AN ACT

Making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1948, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—TREASURY DEPARTMENT

That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Treasury Department for the fiscal year ending June 30, 1948, namely:

OFFICE OF THE SECRETARY

Salaries: For personal services in the District of Columbia, \$409,000: *Provided*, That no part of the money appropriated shall be used to pay the salaries of more than eighteen messengers assigned to duty in the Office of the Secretary.

Personal or property damage claims: For payment of claims pursuant to part 2 of the Federal Tort Claims Act of August 2, 1946 (Public Law 601), \$20,000.

Penalty mail costs: For deposit in the general fund of the Treasury for cost of penalty mail of the Treasury Department as required by the Act of June 28, 1944, \$6,700,000.

OFFICE OF GENERAL COUNSEL AND TAX LEGISLATIVE COUNSEL

Salaries: For personal services in the District of Columbia, \$250,000.

DIVISION OF TAX RESEARCH AND RESEARCH AND STATISTICS

Salaries: For personal services in the District of Columbia, \$200,000.

DIVISION OF PERSONNEL

Salaries: For personal services in the District of Columbia, \$127,000.

Health service programs, Treasury Department: For expenses necessary in maintaining health service programs, pursuant to Public Law 658, Seventy-ninth Congress, for employees of the Department in the District of Columbia, \$75,000: *Provided*, That other appropriations in this Act shall be available for health service program in the field as authorized by said Public Law 658.

OFFICE OF CHIEF CLERK

Salaries: For personal services in the District of Columbia, \$326,000.

MISCELLANEOUS EXPENSES, TREASURY DEPARTMENT

Miscellaneous expenses: For necessary expenses of the Office of the Secretary and the bureaus and offices of the Treasury Department, not otherwise provided for; including operating expenses of the Treasury, Treasury Annex, Auditors', and Liberty Loan Buildings; \$225,000.

Printing and binding: For printing and binding for the Department except such bureaus and offices as may be otherwise provided for; including materials for the use of the bookbinder, located in the Department, but not including work done at the New York Customhouse bindery authorized by the Joint Committee on Printing in accordance with the Act of March 1, 1919 (44 U. S. C. 111), \$35,000.

CUSTODY OF TREASURY BUILDINGS

Salaries: For personal services in the District of Columbia, including the operating force of the Treasury Building, the Treasury Annex, the Liberty Loan Building, the Auditors' Building, and the west and south annexes thereof, \$650,000.

FISCAL SERVICE

BUREAU OF ACCOUNTS

Salaries and expenses: For necessary expenses in the District of Columbia, including contract stenographic reporting services, \$1,016,000.

Salaries and expenses, deposit of withheld taxes: For necessary expenses incident to the deposit of withheld taxes in Government depositories pursuant to the Current Tax Payment Act of 1943, including personal services in the District of Columbia and reimbursement to Federal Reserve banks for printing and other necessary expenses, \$460,000.

Printing and binding: For printing and binding, Bureau of Accounts, \$60,000.

Salaries and expenses: For necessary expenses of the Division of Disbursement, including personal services in the District of Columbia, \$9,935,000: *Provided*, That with the approval of the Bureau of the Budget there may be transferred to this appropriation and to the appropriation "Printing and binding, Division of Disbursement" from Railroad Retirement Board, "Conservation and use of agricultural land resources, Department of Agriculture," and from available corporate funds of Government-owned or -controlled corporations, such sums as may be necessary to cover the expense incurred in performing the function of disbursement therefor.

Printing and binding: For printing and binding, Division of Disbursement, including the cost of transportation to field offices of printed and bound material and the cost of necessary packing boxes and packing materials, \$170,000.

Contingent expenses, public moneys: For contingent expenses under the requirements of section 3653 of the Revised Statutes (31 U. S. C. 545), for the collection, safekeeping, transfer, and disbursement of the public money, transportation of notes, bonds, and other securities of the United States, transportation of gold coin and gold certificates transferred to Federal Reserve banks and branches, United

States mints and assay offices, and the Treasury, after March 9, 1933, actual expenses of examiners detailed to examine the books, accounts, and money on hand at the several depositories, including national banks acting as depositories under the requirements of section 3649, Revised Statutes (31 U. S. C. 548), also including examinations of cash accounts at mints, \$400,000.

Recoinage of silver coins: For expenses necessary to continue the recoinage of worn and uncurrent subsidiary silver coins of the United States now in the Treasury or hereafter received, and to reimburse the Treasurer of the United States for the difference between the nominal or face value of such coins and the amount the same will produce in new coins, \$200,000.

Relief of the indigent, Alaska: For the payment to the United States district judges in Alaska (not to exceed 10 per centum of the receipts from licenses collected outside of incorporated towns in Alaska), to be expended for the relief of persons in Alaska who are indigent and incapacitated through nonage, old age, sickness, or accident, \$14,000.

Refund of moneys erroneously received and covered: For meeting any expenditures of the character formerly chargeable to the appropriation accounts abolished under section 18 of the Permanent Appropriation Repeal Act of 1934, approved June 26, 1934, and any other collections erroneously received and covered which are not properly chargeable to any other appropriation, \$700,000.

Payment of certified claims: For the payment of claims (not to exceed \$500 in any case) which may be certified during the fiscal year 1948 by the Comptroller General of the United States to be lawfully due, within the limits of, and chargeable against the balances of the respective appropriations heretofore made which, after remaining unexpended, have been carried to the surplus fund pursuant to section 5 of the Act of June 20, 1874 (31 U. S. C. 713), \$700,000.

Payment of unclaimed moneys: For meeting any expenditures of the character formerly chargeable to the appropriation accounts abolished under section 17 of the Permanent Appropriation Repeal Act of 1934, approved June 26, 1934, payable from the funds held by the United States in the trust fund receipt account "Unclaimed moneys of individuals whose whereabouts are unknown", \$100,000.

BUREAU OF THE PUBLIC DEBT

Administering the public debt: For necessary expenses connected with any public-debt operations authorized by the Second Liberty Bond Act, as amended (31 U. S. C. 760-762), and with the administration of any public debt or currency issues of the United States with which the Secretary of the Treasury is charged, \$64,800,000, to be expended as the Secretary of the Treasury may direct: *Provided*, That from the amount appropriated herein, the Federal Reserve banks and their branches may be reimbursed for expenditures made by them as fiscal agents of the United States on account of public-debt transactions for the account of the Secretary of the Treasury, and advances to the Postmaster General may be made in accordance with the provisions of section 22 (e) of the Second Liberty Bond Act, as amended (31 U. S. C. 757c (e)), which section shall be construed as applying to this appropriation: *Provided further*, That the indefinite appropriation pro-

vided by section 10 of the Second Liberty Bond Act, as amended, shall not be available for obligation during the fiscal year 1948.

Distinctive paper for United States currency: For distinctive paper for United States currency, including transportation of paper, traveling, mill, and other necessary expenses, and salaries of employees and allowance, in lieu of expenses, of officer or officers detailed from the Treasury Department, not exceeding \$50 per month each when actually on duty, \$1,113,000: *Provided*, That in order to foster competition in the manufacture of distinctive paper for United States securities, the Secretary of the Treasury is authorized, in his discretion, to split the award for such paper for the fiscal year 1948 between the two bidders whose prices per pound are the lowest received after advertisement.

OFFICE OF THE TREASURER OF THE UNITED STATES

Salaries and expenses: For necessary expenses of the Office of the Treasurer, \$4,900,000: *Provided*, That with the approval of the Bureau of the Budget, there may be transferred to this appropriation and to the appropriation "Printing and binding, Office of the Treasurer", from Railroad Retirement Board, "Conservation and use of agricultural land resources, Department of Agriculture," and from available corporate funds of Government owned or controlled corporations, such sums as may be necessary to cover the expenses incurred in the clearing of checks, servicing of bonds, handling of collections, and rendering of accounts therefor.

Printing and binding: For printing and binding for the Office of the Treasurer, \$140,000.

BUREAU OF CUSTOMS

Salaries and expenses: For collecting the revenue from customs, for enforcement, under section 102, Reorganization Plan No. III of 1946, of certain navigation laws, for the detection and prevention of frauds upon the customs revenue, and not to exceed \$100,000 for the securing of evidence of violations of the customs and navigation laws; for expenses of transportation and transfer of customs receipts from points where there are no Government depositories; not to exceed \$500 for subscriptions to newspapers; not to exceed \$85,000 for stationery; not to exceed \$12,000 for improving, repairing, maintaining, or preserving buildings, inspection stations, office quarters, including living quarters for officers, sheds, and sites along the Canadian and Mexican borders acquired under authority of the Act of June 26, 1930 (19 U. S. C. 68); and for the purchase of one hundred and fifty passenger motor vehicles; for the cost of seizure, storage, and disposition of any merchandise, vehicle and team, automobile, boat, air or water craft, or any other conveyance seized under the provisions of the customs laws; for the purchase of arms, ammunition, and accessories; not to exceed \$826,000 for personal services in the District of Columbia exclusive of ten persons from the field force authorized to be detailed under section 525 of the Tariff Act of 1930; \$32,925,000, of which \$300,000 shall constitute an advance fund to enable the Bureau of Customs to meet obligations incurred by it arising from services rendered to private interests, pending receipt of reimbursements therefrom, which amount shall be returned to the Treasury not later than six months after the close of the fiscal year 1948, and of which not to exceed \$100,000 shall

be available, for defraying, on a contract basis or otherwise, the expense of a management study of the Bureau of Customs.

Printing and binding: For printing and binding, Bureau of Customs, including the cost of transportation to field offices of printed and bound material and the cost of necessary packing boxes and packing materials, \$95,000.

Refunds and draw-backs: For the refund or payment of customs collections or receipts, and for the payment of debentures or draw-backs, bounties, and allowances, as authorized by law, \$15,000,000.

BUREAU OF INTERNAL REVENUE

Salaries and expenses: For necessary expenses in connection with the assessment and collection of internal-revenue taxes and the administration of the internal-revenue laws, including the administration of such provisions of other laws as are authorized by or pursuant to law to be administered by or under the direction of the Commissioner of Internal Revenue, including one stamp agent (to be reimbursed by the stamp manufacturers) and the employment of experts; the securing of evidence of violations of the Acts, the cost of chemical analyses made by others than employees of the United States and expenses incident to such chemists testifying when necessary; necessary expenses incurred in making investigations in connection with the enrollment or disbarment of practitioners before the Treasury Department in internal-revenue matters, expenses of seizure and sale, and contract stenographic reporting services; for the acquisition of property under the provisions of title III of the Liquor Law Repeal and Enforcement Act, approved August 27, 1935 (49 Stat. 872-881), and the operation, maintenance, and repair of property acquired under such title III; purchase (not to exceed thirty-four) and hire of passenger motor vehicles; printing and binding (not to exceed \$2,530,000); stationery (not to exceed \$1,500,000), and ammunition, \$188,000,000, of which amount not to exceed \$16,530,000 may be expended for personal services in the District of Columbia and not to exceed \$100,000 for detecting and bringing to trial persons guilty of violating the internal-revenue laws or conniving at the same, including payments for information and detection of such violation.

Additional income tax on railroads in Alaska: For the payment to the Treasurer of Alaska of an amount equal to the tax of 1 per centum collected on the gross annual income of all railroad corporations doing business in Alaska, on business done in Alaska, which tax is in addition to the normal income tax collected from such corporations on net income, the amount of such additional tax to be applicable to general Territorial purposes, \$3,500.

Refunding internal-revenue collections: For refunding internal-revenue collections, as provided by law, including the payment of claims for the prior fiscal years and payment of accounts arising under "Allowance or draw-back (Internal Revenue)", "Redemption of stamps (Internal Revenue)", "Refunding legacy taxes, Act of March 30, 1928", "Repayment of taxes on distilled spirits destroyed by casualty", and "Refunds and payments of processing and related taxes", \$1,231,000,000: *Provided*, That a report shall be made to Congress by internal-revenue districts and alphabetically arranged of all disbursements hereunder in excess of \$500 as required by section 3 of

the Act of May 29, 1928 (sec. 3776, I. R. C.), including the names of all persons and corporations to whom such payments are made, together with the amount paid to each.

BUREAU OF NARCOTICS

Salaries and expenses: For expenses, including the securing of information and evidence, necessary to enforce sections 2550-2565; 2567-2571; 2590-2603; 3220-3228; 3230-3238 of the Internal Revenue Code; the Narcotic Drugs Import and Export Act, as amended (21 U. S. C. 171-184); the Act of June 14, 1930 (5 U. S. C. 282-282c and 21 U. S. C. 197-198) and the Opium Poppy Control Act of 1942 (21 U. S. C. Supp. V, 188-188n), including the employment of attorneys; services as authorized by section 15 of the Act of August 2, 1946 (Public Law 600); the costs of chemical analyses made by others than employees of the United States; cost incurred by officers and employees of the Bureau of Narcotics in the seizure, forfeiture, storage, and disposition of property under the Act of August 9, 1939 (49 U. S. C. 781-788), and the internal-revenue laws; hire of motor vehicles; purchase of arms and ammunition; in all, \$1,430,000, of which amount not to exceed \$224,000 may be expended for personal services in the District of Columbia; not exceeding \$10,000 for the collection and dissemination of information and appeal for law observance and law enforcement, including cost of printing, and not exceeding \$10,000 for services or information looking toward the apprehension of narcotic law violators who are fugitives from justice.

Printing and binding: For printing and binding for the Bureau, \$4,000.

BUREAU OF ENGRAVING AND PRINTING

For the work of engraving and printing, exclusive of repay work United States currency and internal-revenue stamps, including opium orders and special-tax stamps required under the Act of December 17, 1914 (26 U. S. C. 1040, 1383), checks, drafts, and miscellaneous work, as follows:

Salaries and expenses: For the Director, two Assistant Directors, and other personal services in the District of Columbia, including wages of rotary press plate printers at per diem rates and all other plate printers at piece rates to be fixed by the Secretary of the Treasury, not to exceed the rates usually paid for such work; and other necessary expenses, including engravers' and printers' materials and other materials, including distinctive and nondistinctive paper, except distinctive paper for United States currency and Federal Reserve bank currency; purchase of card and continuous form checks; equipment of, repairs to, and maintenance of buildings and grounds and minor alterations to buildings; periodicals, examples of engraving and printing, including foreign securities and stamps, and books of reference, not to exceed \$500; traveling expenses not to exceed \$15,000; transfer to the Bureau of Standards for scientific investigations in connection with the work of the Bureau of Engraving and Printing, not to exceed \$15,000; \$12,000,000, to be expended under the direction of the Secretary of the Treasury.

Printing and binding: For printing and binding for the Bureau of Engraving and Printing, \$5,000.

During the fiscal year 1948 all proceeds derived from work performed by the Bureau of Engraving and Printing, by direction of the Secretary of the Treasury, not covered and embraced in the appropriations for such Bureau for such fiscal year, instead of being covered into the Treasury as miscellaneous receipts, as provided by the Act of August 4, 1886 (31 U. S. C. 176), shall be credited when received to the appropriations for such Bureau for the fiscal year 1948.

SECRET SERVICE DIVISION

Salaries: For personal services in the District of Columbia, \$85,000.

Suppressing counterfeiting and other crimes: For necessary expenses in detecting, arresting, and delivering into the custody of the United States marshal or other officer having jurisdiction, dealers and pretended dealers in counterfeit money, persons engaged in counterfeiting, forging, and altering United States notes, bonds, national bank notes, Federal Reserve notes, Federal Reserve bank notes, and other obligations and securities of the United States and of foreign governments (including endorsements thereon and assignments thereof), as well as the coins of the United States and of foreign governments, and persons committing other crimes against the laws of the United States relating to the Treasury Department and the several branches of the public service under its control; purchase of seventy-five and hire of motor passenger vehicles; purchase of arms and ammunition; and for the protection of the person of the President and the members of his immediate family and of the person chosen to be President of the United States; \$1,550,000: *Provided*, That of the amount herein appropriated not to exceed \$15,000 may be expended for the purpose of securing information concerning violations of the laws relating to the Treasury Department, and for services or information looking toward the apprehension of criminals, and all vouchers claiming reimbursement from such amount of \$15,000 shall have the approval of the Chief of the Secret Service before payment.

White House Police: For salaries of the White House Police as authorized by law (3 U. S. C. 62), \$372,900.

For uniforming and equipping the White House Police, including the purchase, issue, and repair of revolvers, and the purchase and issue of ammunition and miscellaneous supplies, to be procured in such manner as the President may determine, \$9,000.

Salaries and expenses, guard force, Treasury buildings: For expenses of the guard force for Treasury Department buildings in the District of Columbia, including the Bureau of Engraving and Printing, and elsewhere, including purchase, repair, and cleaning of uniforms, purchase of two passenger motor vehicles, and the purchase of arms and ammunition and miscellaneous equipment, \$720,000: *Provided*, That not to exceed \$168,925 of the appropriation "Salaries and expenses, Bureau of Engraving and Printing", may be transferred to this appropriation to cover service rendered such Bureau in connection with the protection of currency, bonds, stamps, and other papers of value the cost of producing which is not covered and embraced in the direct appropriations for such Bureau: *Provided further*, That the Secretary of the Treasury may detail two agents of the Secret Service to supervise such force.

Printing and binding: For printing and binding for the Secret Service Division, \$8,000.

Reimbursement to District of Columbia, benefit payments to White House Police and Secret Service forces: For reimbursement to the District of Columbia on a monthly basis for benefit payments made from the revenues of the District of Columbia to members of the White House Police force and such members of the United States Secret Service Division as are entitled thereto under the Act of October 14, 1940 (54 Stat. 1118), to the extent that such benefit payments are in excess of the salary deductions of such members credited to said revenues of the District of Columbia during the fiscal year 1948, pursuant to section 12 of the Act of September 1, 1916 (39 Stat. 718), as amended, \$68,500.

BUREAU OF THE MINT

Office of the Director: For personal services in the District of Columbia and for assay laboratory chemicals, fuel, materials, balances, weights, specimens of coins, ores, and travel and other expenses incident to the examination of mints, visiting mints for the purpose of superintending the annual settlement, and for the collection of statistics relative to the annual production and consumption of the precious metals in the United States, \$185,000.

Transportation of bullion and coin: For transportation of bullion and coin, between mints, assay offices, and bullion depositories, \$22,500, including compensation of temporary employees and other necessary expenses.

Mints and assay offices: For necessary expenses at the mints at Philadelphia, Pennsylvania; San Francisco, California; and Denver, Colorado; the assay offices at New York, New York; and Seattle, Washington, and the bullion depositories at Fort Knox, Kentucky; and West Point, New York, and for carrying out the provisions of the Gold Reserve Act of 1934 and the Silver Purchase Act of 1934, including new machinery and repairs, arms and ammunition, purchase and maintenance of uniforms and accessories for guards, protective devices, and their maintenance, training of employees in use of fire arms and protective devices, purchase of a station wagon, cases and enameling for medals manufactured, net wastage in melting and refining and in coining departments, loss on sale of sweeps arising from the treatment of bullion and the manufacture of coins, not to exceed \$1,000 for the expenses of the annual assay commission, and not exceeding \$1,000 for the acquisition, at the dollar face amount or otherwise, of specimen and rare coins, including United States and foreign gold coins and pieces of gold used as, or in lieu of, money, and ores, for addition to the Government's collection of such coins, pieces, and ores; \$6,250,000.

Printing and binding: For printing and binding for the Bureau of the Mint, \$10,000.

BUREAU OF FEDERAL SUPPLY

Salaries and expenses: For necessary expenses, including personal services in the District of Columbia and in the field service, office supplies and materials, stationery, fuel, light, electric current, and other expenses for carrying into effect regulations governing the procurement, warehousing, and distribution by the Bureau of Federal Supply of the Treasury Department of property, equipment, stores,

and supplies in the District of Columbia and in the field, \$1,310,000: *Provided*, That the Secretary of the Treasury is authorized and directed to transfer to this appropriation from any appropriations or funds available to the several departments and establishments of the Government such amounts as may be approved by the Bureau of the Budget, not to exceed the sum of (a) the amount of the annual compensation of employees who may be transferred or detailed to the Bureau of Federal Supply, respectively, from any such department or establishment, where the transfer or detail of such employee is incident to a transfer of a function or functions to that Bureau and (b) such amount as the Bureau of the Budget may determine to be necessary for expenses other than personal services incident to the proper carrying out of functions so transferred: *Provided further*, That when there has been or shall be transferred from any agency of the Government to the Bureau of Federal Supply any function of warehousing, and the agency from which such function is being transferred is authorized at the time of such transfer to perform functions of procurement, warehousing, or distribution of property, equipment, stores, or supplies for non-Federal agencies the Bureau of Federal Supply is authorized to continue the performance of such functions for such non-Federal agencies where such functions are to be discontinued by the agency from which the warehousing function has been transferred, and the receipts, including surcharge, for all issues to and all advances by all non-Federal agencies shall be credited to the general supply fund: *Provided further*, That payments to the general supply fund for materials, and supplies (including fuel), and services, and overhead expenses for all issues shall be made on the books of the Treasury Department by transfer and counterwarrants prepared by the Bureau of Federal Supply of the Treasury Department and countersigned by the Comptroller General, such warrants to be based solely on itemized invoices prepared by the Bureau of Federal Supply at issue prices to be fixed by the Director of Federal Supply: *Provided further*, That payments covering transactions between the Bureau of Federal Supply and field offices of other Government agencies whose detailed appropriation or fund accounts are maintained elsewhere than within the District of Columbia, may be made on the basis of itemized vouchers or invoices prepared by the Bureau of Federal Supply and sent through the appropriate field offices to the disbursing officers for the agencies involved, who are hereby authorized to make payment based (1) upon certification of the Bureau of Federal Supply, which shall include the specific statement that the vouchers are issued pursuant to and in conformity with purchase orders or requisitions duly executed by the agency billed, and (2) upon approval and certification of such vouchers by the agency billed, which action shall be based upon acceptance of the Bureau of Federal Supply certification as made, subject to later adjustment if necessary, the responsibility of the certifying officer to be limited to the availability of the funds to be charged: *Provided further*, That the general supply fund may be used to purchase from or through the Public Printer standard forms and blank-book work for field warehouse stocking and issue, but issues thereof shall be made only to Government agencies and shall be chargeable to applicable appropriation authorizations or limitations of such agencies for printing and binding, and reports of such issues shall be made as the Public

Printer may require: *Provided further*, That advances received pursuant to law (31 U. S. C. 686) from departments and establishments of the United States Government and the government of the District of Columbia during the fiscal year 1948 shall be credited to the general supply fund: *Provided further*, That during the fiscal year 1948 there shall be available from the general supply fund for personal services in the District of Columbia not to exceed \$1,520,000: *Provided further*, That per diem employees engaged in work in connection with operations of the fuel yards may be paid rates of pay approved by the Secretary of the Treasury not exceeding current rates for similar services in the District of Columbia: *Provided further*, That the term "fuel" shall be held to include "fuel oil": *Provided further*, That the reconditioning and repair of surplus property and equipment for disposition or reissue to Government service, may be made at cost by the Bureau of Federal Supply, payment therefor to be effected by charging the proper appropriation and crediting the general supply fund.

Repairs to typewriting machines (except bookkeeping and billing machines) in the Government service in the District of Columbia and areas adjacent thereto may be made at cost by the Bureau of Federal Supply, payment therefor to be effected by charging the proper appropriation and crediting the general supply fund.

No part of any money appropriated by this or any other Act shall be used during the fiscal year 1948 for the purchase, within the continental limits of the United States, of any standard typewriting machines (except bookkeeping, billing, and electric machines) at a price in excess of the following for models with carriages which will accommodate paper of the following widths, to wit: Ten inches (correspondence models), \$77; twelve inches, \$82.50; fourteen inches, \$85.25; sixteen inches, \$90.75; eighteen inches, \$96.25; twenty inches, \$103.40; twenty-two inches, \$104.50; twenty-four inches, \$107.25; twenty-six inches, \$113.85; twenty-eight inches, \$114.40; thirty inches, \$115.50; thirty-two inches, \$118.25; or, for standard typewriting machines distinctively quiet in operation, the maximum prices shall be as follows for models with carriages which will accommodate paper of the following widths, to wit: Ten inches, \$88; twelve inches, \$93.50; fourteen inches, \$99; eighteen inches, \$104.50: *Provided*, That there may be added to such prices the amount of Federal excise taxes paid or payable with respect to any such machines.

Printing and binding: For printing and binding for the Bureau of Federal Supply, including printed forms and miscellaneous items for general use of the Treasury Department, the cost of transportation to field offices of printed and bound material and the cost of necessary packing boxes and packing materials, \$170,000, together with not to exceed \$4,000 to be transferred from the general supply fund, Treasury Department.

COAST GUARD

For all salaries and expenses of the Coast Guard, \$100,000,000: *Provided*, That no part of this appropriation shall be used to pay any enlisted man of the Coast Guard while detailed for duty at Coast Guard headquarters if such detail increases above thirty the total number of enlisted men detailed to such duty at any time: *Provided further*, That no part of this appropriation shall be used for increased pay for making aerial flights by nonflying officers or observers at rates

in excess of those prescribed by law for the Army, which shall be the legal maximum rates as to such nonflying officers or observers: *Provided further*, That expenditures out of the foregoing appropriation shall not exceed the limitations set forth in the following categories, namely:

Office of Commandant: For personal services at the seat of government, not to exceed \$2,000,000;

Pay and allowances: For pay and allowances prescribed by law for commissioned officers, cadets, warrant officers, petty officers, and other enlisted personnel, active and retired, temporary cooks, surfmen, substitute surfmen, and six civilian instructors; retired pay for certain members of the former Life Saving Service authorized by the Act approved April 14, 1930 (14 U. S. C. 178a); not exceeding \$10,000 for cash prizes for men for excellence in boatmanship, gunnery, target practice, and engineering competitions; transportation of dependents of Coast Guard personnel on active duty and retired and Reserve officers and of retired and Reserve enlisted personnel, of grades entitled to transportation of dependents in the Regular Coast Guard, when ordered to active duty (other than training) and upon relief therefrom; carrying out the provisions of the Act of June 4, 1920 (34 U. S. C. 943); not to exceed \$20,000 for cost of special instruction, including books, laboratory equipment and fees, school supplies, and maintenance of students; motion-picture and other equipment for instructional purposes; rations or commutation thereof for cadets, petty officers, other enlisted personnel, and members of the Coast Guard Auxiliary when assigned specific duties under the provisions of section 8, Act of February 19, 1941, as amended (14 U. S. C. 267), mileage and expenses allowed by law for officers, including per diem rates of allowance, and the Secretary is hereby authorized to prescribe per diem rates of allowance for Public Health Service officers detailed to the Coast Guard as authorized for Coast Guard officers; actual and necessary expenses or per diem in lieu thereof as the Secretary may determine and approve for Coast Guard personnel on special duty in foreign countries; traveling expenses of other persons traveling on duty under orders from the Treasury Department, including transportation of cadets, enlisted personnel, and applicants for enlistment, with subsistence and transfers en route, or cash in lieu thereof; transportation in kind and subsistence to discharged cadets; uniform clothing for enlisted men as provided by law (14 U. S. C. 13); clothing for enlisted personnel authorized by law; civilian clothing, including an overcoat when necessary, the cost of all not to exceed \$30 per person to enlisted personnel given discharges for bad conduct, undesirability, unsuitability, or inaptitude; reimbursement in kind or in cash as authorized by law to persons in the Coast Guard for personal property lost, destroyed, or damaged; actual expenses of officers and cadets and quarters and subsistence of enlisted personnel on shore patrol, emergency shore detail and other detached duty, or cash in lieu thereof; hire of quarters for officers serving with troops where sufficient quarters are not possessed by the United States to accommodate them; hire of quarters for Coast Guard personnel comparable to quarters assignable on a capital ship of the Navy, as authorized by the Secretary to meet emergency conditions, including officers and men on sea duty at such times as they may be deprived of their quarters on board ship due to

repairs or other conditions which may render them uninhabitable: *Provided*, That under this authorization no funds may be expended for the hire of quarters for occupancy by the dependents of officers or enlisted personnel; expenses of recruiting for the Coast Guard; advertising for and obtaining enlisted personnel and applicants for appointment as cadets; training of enlisted personnel, including textbooks, school supplies, and correspondence courses; transfer of household goods and effects of Coast Guard and Coast Guard Reserve personnel on active duty and when ordered to active duty and upon relief therefrom, and the transfer of household goods and effects of deceased Coast Guard and Coast Guard Reserve personnel who die while on active duty, as prescribed by law and regulations; transportation on Government-owned vessels of privately owned automobiles of Coast Guard personnel upon change of station; purchase of provisions for sale to Coast Guard personnel at isolated stations, and the appropriation reimbursed; and including not to exceed \$50,000 for recreation, amusement, comfort, contentment, and health of the enlisted personnel of the Coast Guard, to be expended pursuant to regulations prescribed by the Secretary; apprehension and delivery of deserters and stragglers; in all, not to exceed \$72,000,000: *Provided*, That money accruing from commutation of rations of enlisted personnel commuted for the benefit of any mess may be paid on proper voucher to the officer in charge of such mess: *Provided further*, That whenever commissioned officers of the Coast Guard, who were civilian employees of the former Bureau of Marine Inspection and Navigation, resume their status as civilian employees of the Coast Guard, or whenever civilian employees of the Coast Guard, who were employed in the former Bureau of Marine Inspection and Navigation, are commissioned as officers of the Coast Guard, the limitation provided for "Civilian Employees, Coast Guard" and "Office of the Commandant" may be exceeded, with the approval of the Bureau of the Budget, by the amount of their pay as civilian employees and the limitation provided for "Pay and allowances" reduced in a like amount or vice versa, as the case may be;

General expenses, Coast Guard: For expenses necessary for the operation and maintenance of the Coast Guard ashore and afloat, except as specifically provided for in other appropriations, including personal services at the seat of government and elsewhere; contract stenographic reporting services, pursuant to section 15 of the Act of August 2, 1946 (Public Law 600); printing and binding; purchase of fifty-eight passenger motor vehicles and maintenance, operation, and repair of aircraft; improvement of property for Coast Guard purposes, including rental, purchase, or use of additional land where necessary and the purchase of land for beacons, daymarks, and fog signals; rations and provisions, or commutation thereof, for working parties in the field, officers and crews of light vessels and tenders, and officials and other authorized persons of the Coast Guard on duty on board such tenders or vessels, but money accruing from commutation of rations and provisions for the above-named persons on board tenders and light vessels or in working parties in the field may be paid on proper voucher to the person having charge of the mess of such vessel or party; subsistence and clothing for shipwrecked and

destitute persons, including reimbursement, under rules prescribed by the Secretary, of Coast Guard personnel who furnish from their personal stock subsistence and clothing to such persons; for payment of claims authorized under section 1 of Public Law 277, Seventy-ninth Congress, as amended by Public Law 327, Seventy-ninth Congress; not to exceed \$2,500 for contingencies for the Superintendent, United States Coast Guard Academy, to be expended in his discretion; payment of rewards for the apprehension and conviction, or for information helpful therein, of persons found interfering in violation of law with aids to navigation maintained by the Coast Guard; in all, not to exceed \$29,700,000: *Provided*, That the number of aircraft on hand at any one time shall not exceed one hundred and ten exclusive of planes and parts stored to meet future attrition;

Civilian employees, Coast Guard: For compensation of civilian employees in the field, including per diem labor, but excluding personnel provided for in the appropriation "General expenses, Coast Guard", not to exceed \$3,600,000;

Establishing and improving aids to navigation: For establishing and improving aids to navigation and other works, and for expenditures directly relating thereto, not to exceed \$2,300,000;

Acquisition of aircraft, vessels and shore facilities: For the purchase or construction of additional and replacement vessels and their equipment; the purchase of aircraft and their equipment; and the construction, rebuilding, or extension of shore facilities, including the acquisition of sites and improvements thereon when specifically approved by the Secretary, and rental of shore facilities for temporary use; in all, not to exceed \$2,300,000: *Provided*, That not to exceed 4 per centum of the amount of this limitation shall be available for administrative expenses in connection therewith, including personal services at the seat of government;

Retired pay, former Lighthouse Service, Coast Guard: For retired pay of certain officers and employees entitled thereto by virtue of former employment in the Lighthouse Service engaged in the field service or on vessels of the Coast Guard, except persons continuously employed in district offices and shops, not to exceed \$1,000,000.

No part of any appropriation or authorization in this Act shall be used to pay any part of the salary or expenses of any person whose salary or expenses are prohibited from being paid from any appropriation or authorization in any other Act.

The Joint Committee on Internal Revenue Taxation is authorized and directed to make a study of the enforcement of the internal-revenue laws with a view to ascertaining the numbers of deputy collectors, revenue agents, and other personnel, who should be employed by the Bureau of Internal Revenue in order to insure the maximum net return to the United States from taxes imposed by such laws, and to report the results of such study to the Senate and the House of Representatives on or before January 3, 1948, such report to be filed with the Speaker of the House of Representatives and the President of the Senate if the Congress is not in session on the date of filing thereof.

This title may be cited as the "Treasury Department Appropriation Act, 1948".

TITLE II—POST OFFICE DEPARTMENT

The following sums are appropriated in conformity with 5 United States Code 361, 380; 39 United States Code 786, for the Post Office Department for the fiscal year ending June 30, 1948, namely:

POST OFFICE DEPARTMENT, WASHINGTON, DISTRICT OF COLUMBIA

OFFICE OF THE POSTMASTER GENERAL

Salaries: For the Postmaster General and other personal services in the office of the Postmaster General in the District of Columbia, including a health program for the Department in Washington as authorized by the Act of August 8, 1946 (Public Law 658), \$375,000.

SALARIES IN BUREAUS AND OFFICES

For personal services in the District of Columbia in bureaus and offices of the Post Office Department in not to exceed the following amounts, respectively:

- Office of Budget and Administrative Planning, \$59,500.
- Office of the First Assistant Postmaster General, \$1,115,000.
- Office of the Second Assistant Postmaster General, \$910,000.
- Office of the Third Assistant Postmaster General, \$1,332,500.
- Office of the Fourth Assistant Postmaster General, \$712,500.
- Office of the Solicitor for the Post Office Department, \$250,000.
- Office of the chief inspector, \$400,000.
- Office of the purchasing agent, \$83,800.
- Bureau of Accounts, \$500,000.

CONTINGENT EXPENSES, POST OFFICE DEPARTMENT

For necessary, contingent and miscellaneous expenses not otherwise provided for; purchase of one passenger motor vehicle (not exceeding \$3,000); purchase and exchange of lawbooks and books of reference; newspapers; and travel expenses of the purchasing agent and of the Solicitor and attorneys connected with his office, not exceeding \$1,900; \$145,000.

For printing and binding for the Post Office Department and Postal Service, \$1,600,000.

Appropriations hereinafter made for the field service of the Post Office Department, except as otherwise provided, shall not be expended for any of the purposes hereinbefore provided for on account of the Post Office Department in the District of Columbia: *Provided*, That necessary expenses of officials and employees of the Post Office Department and Postal Service, when traveling on official business, may be paid from the appropriations for the service in connection with which the travel is performed: *Provided further*, That appropriations hereinafter made, except such as are exclusively for payment of compensation, shall be available for expenses in connection with the examination of estimates for appropriations in the field including per diem allowances in lieu of actual expenses of subsistence.

FIELD SERVICE, POST OFFICE DEPARTMENT

OFFICE OF THE POSTMASTER GENERAL

Travel expenses, Postmaster General and Assistant Postmasters General: For travel and miscellaneous expenses in the Postal Service, offices of the Postmaster General and Assistant Postmasters General, \$3,000.

Damage claims: For the payment of claims for damages to persons or property occurring in the fiscal year 1948, or in prior fiscal years, determined and settled pursuant to the Federal Tort Claims Act, approved August 2, 1946 (Public Law 601), and in accordance with the provisions of the Deficiency Appropriation Act, approved June 16, 1921 (5 U. S. C. 392), as amended by the Act approved June 22, 1934 (31 U. S. C. 224c), \$230,000.

Adjusted losses and contingencies: To pay to postmasters, Navy mail clerks, and assistant Navy mail clerks, Coast Guard mail clerks, assistant Coast Guard mail clerks, Army mail clerks, and assistant Army mail clerks, or credit them with the amount ascertained to have been lost or destroyed during the fiscal year 1948, or prior fiscal years, through unavoidable casualty resulting from no fault or negligence on their part, as authorized by the Act approved March 17, 1882, as amended by the Act approved December 7, 1945 (39 U. S. C. 49), \$75,000.

OFFICE OF CHIEF INSPECTOR

Salaries of inspectors: For salaries of fifteen inspectors in charge of divisions and eight hundred inspectors, \$4,300,000.

Travel and miscellaneous expenses: For necessary travel and miscellaneous expenses incurred in the operation of the Post Office Inspection Service, not to exceed \$27,600 for chemical and other investigations, and not to exceed \$500 for books of reference, \$960,000.

Clerks: For compensation of not exceeding three hundred and eighty-nine clerks in the Post Office Inspection Service, \$1,178,000.

Payment of rewards: For payment of rewards for the detection, arrest, and conviction of post-office burglars, robbers, highway mail robbers, and persons mailing or causing to be mailed any bomb, infernal machine, or mechanical, chemical, or other device or composition which may ignite, or explode, fiscal year 1948 and prior years, \$55,000: *Provided*, That rewards may be paid in the discretion of the Postmaster General, when an offender of the classes mentioned was killed in the act of committing the crime or in resisting lawful arrest: *Provided further*, That no part of this sum shall be used to pay any rewards at rates in excess of those specified in Post Office Department Order 28673, dated July 28, 1945: *Provided further*, That of the amount herein appropriated not to exceed \$20,000 may be expended in the discretion of the Postmaster General, for the purpose of securing information concerning violations of the postal laws and for services and information looking toward the apprehension of criminals.

OFFICE OF THE FIRST ASSISTANT POSTMASTER GENERAL

Compensation to postmasters: For compensation to postmasters, including compensation as postmaster to persons who, pending the

designation of an acting postmaster, assume and perform the duties of postmaster in the event of a vacancy in the office of postmaster of the third or fourth class, and for allowances for rent, light, fuel, and equipment to postmasters of the fourth class, \$87,470,000.

Compensation to assistant postmasters: For compensation to assistant postmasters at first- and second-class post offices, \$12,800,000.

Clerks, first- and second-class post offices: For compensation to clerks and employees at first- and second-class post offices, including auxiliary clerk hire at summer and winter post offices, printers, mechanics, skilled laborers, watchmen, messengers, mail handlers, and substitutes, and the maintenance of health programs in the field as authorized by the Act of August 8, 1946 (Public Law 658), \$487,400,000.

Contract station service: For contract station service, \$3,500,000.

Separating mails: For separating mails at fourth-class post offices, \$180,000.

Unusual conditions: For unusual conditions at post offices, \$25,000.

Clerks, third-class post offices: For compensation to clerks at third-class post offices, \$24,000,000.

Miscellaneous items, first- and second-class post offices: For expenses necessary for the operation and protection of post offices of the first and second classes, and the business conducted in connection therewith, not provided for in other appropriations, \$3,600,000.

Village delivery service: For village delivery service in towns and villages having post offices of the second or third class, and in communities adjacent to cities having city delivery, \$300,000.

Detroit River service: For Detroit River postal service, \$12,750.

Carfare and bicycle allowance: For carfare and bicycle allowance, including special-delivery carfare, cost of transporting carriers by privately owned automobiles to and from their routes, at rates not exceeding regular streetcar or bus fare, and purchase, maintenance, and exchange of bicycles, \$1,800,000.

City delivery carriers: For pay of letter carriers, City Delivery Service, and United States Official Mail and Messenger Service, \$295,300,000.

Special-delivery compensation and fees: For compensation and fees to special-delivery messengers, \$14,000,000.

Rural Delivery Service: For pay for rural carriers, auxiliary carriers, substitutes for rural carriers on annual and sick leave, clerks in charge of rural stations, tolls and ferriage, and necessary expenses of the Rural Delivery Service, \$129,167,000, of which not less than \$200,000 shall be available for extensions and new service.

OFFICE OF THE SECOND ASSISTANT POSTMASTER GENERAL

Star-route service: For inland transportation by star routes (excepting service in Alaska), including temporary service to newly established offices, \$22,500,000.

Star Route and Air Mail Service, Alaska: For inland transportation by Star Route and Air Mail Service in Alaska, \$415,000.

Powerboat service: For inland transportation by steamboat or other powerboat routes, including ship, steamboat, and way letters, \$1,700,000.

Railroad transportation and mail messenger service: For inland

transportation by railroad routes and for mail messenger service, \$145,000,000: *Provided*, That separate accounts be kept of the amount expended for mail messenger service.

Railway Mail Service: For fifteen general superintendents, fifteen assistant general superintendents, two assistant general superintendents at large, one hundred and twenty district superintendents, one hundred and twenty assistant district superintendents, and other employees in the Railway Mail Service, \$104,000,000.

Railway postal clerks, travel allowance: For travel allowance to railway postal clerks and substitute railway postal clerks, \$5,000,000.

Railway Mail Service, travel expenses: For travel expenses of departmental officials and supervisory employees of the Railway Mail Service, and railway postal clerks, \$55,000.

Railway Mail Service, miscellaneous expenses: For necessary expenses of the Railway Mail Service not provided for in other appropriations, \$450,000.

Electric-car service: For electric-car service, \$210,000.

Foreign mail transportation: For transportation of foreign mails, except by aircraft, \$9,500,000, including not to exceed \$79,200 to cover the cost to the United States for maintaining sea post service on ocean steamships conveying mails to and from the United States.

Balances due foreign countries: For balances due foreign countries, fiscal year 1948 and prior years, \$3,250,000.

Indemnities, international mail: For payment of limited indemnity for the injury or loss of international mail in accordance with convention, treaty, or agreement stipulations, fiscal year 1948 and prior years, \$15,000.

Foreign air-mail transportation: For transportation of foreign mails by aircraft, as authorized by law, including the transportation of mail by aircraft between Seattle, Washington, and Fairbanks, Alaska, via intermediate points, \$5,500,000.

Domestic Air Mail Service: For expenses necessary for the inland transportation of mail by aircraft, as authorized by law, including not to exceed \$173,000 for supervisory officials and clerks at field headquarters, \$37,000,000.

OFFICE OF THE THIRD ASSISTANT POSTMASTER GENERAL

Manufacture and distribution of stamps and stamped paper: For manufacture and distribution of stamps and stamped paper, and not to exceed \$30,000 for compensation to employees and other necessary expenses of the United States Stamped Envelope Agency, \$7,400,000.

Indemnities, domestic mail: For payment of indemnity for the injury or loss of domestic registered, insured, and collect-on-delivery mail, and for failure to remit collect-on-delivery charges, fiscal year 1948 and prior years, \$2,300,000.

Unpaid money orders more than one year old: For payment of domestic money orders after one year from the last day of the month of issue of such orders, \$600,000.

OFFICE OF THE FOURTH ASSISTANT POSTMASTER GENERAL

Post Office stationery, equipment, and supplies: For the purchase, manufacture, repair, and installation of necessary miscellaneous equipment and supplies for the Postal Service not provided for in

other appropriations; accident prevention; for the purchase of atlases and geographical and technical works not to exceed \$1,500; and not exceeding \$136,000 for personal services, and not to exceed \$51,400 for salaries of fourteen traveling mechanics; for rental of canceling machines and motors, mechanical mail-handling apparatus, and other labor-saving devices; and for travel expenses; \$6,500,000, of which \$250,000 shall be available exclusively for the purchase of modern mechanical postal devices: *Provided*, That the Postmaster General may authorize the sale to the public of post-route maps and rural-delivery maps or blueprints at the cost of printing and 10 per centum thereof added.

Equipment shops, Washington, District of Columbia: For the purchase, manufacture, and repair of mail bags and other equipment for the postal service not provided for in other appropriations; accident prevention; necessary expenses for the operation, maintenance, and protection of the mail equipment shops building, grounds, and equipment, and a health program for the shops, as authorized by the Act of August 8, 1946 (Public Law 658); \$3,200,000, of which not to exceed \$1,223,000 may be expended for personal services in the District of Columbia and not exceeding \$15,000 for the purchase of material and the manufacture in the equipment shops of such small quantities of distinctive equipments as may be required by other executive departments; and for services in Alaska, Puerto Rico, Philippine Islands, Hawaii, or other island possessions.

Rent, light, power, fuel, and water: For rent, light, power, fuel, and water, for first-, second-, and third-class post offices, and the cost of advertising for lease proposals for such offices, \$13,257,000.

Pneumatic-tube service, New York City and Boston: For rental of not exceeding twenty-eight miles of pneumatic tubes, hire of labor, communication service, electric power, and other expenses for transmission of mail in the city of New York including the Borough of Brooklyn; and for rental of not exceeding two miles of pneumatic tubes, not including labor and power in operating the same, for the transmission of mail in the city of Boston, Massachusetts; \$700,000: *Provided*, That the Acts of April 21, 1902, May 27, 1908, and June 19, 1922 (39 U. S. C. 423), relating to contracts for the transmission of mail by pneumatic tubes or other similar devices shall not be applicable to the city of New York, and the provisions not inconsistent herewith of the Acts of April 21, 1902, and May 27, 1908 (39 U. S. C. 423), shall be applicable to the city of Boston.

Vehicle service: For the hire, purchase, maintenance, repair, and operation of vehicles for use in the collection, transportation, delivery, and supervision of the mail, including the repair of vehicles owned by, or under the control of, units of the National Guard and departments and agencies of the Federal Government where repairs are made necessary because of utilization of such vehicles in the Postal Service; the rental of garage facilities; accident prevention; lease of quarters not exceeding a term of ten years for the housing of Government-owned motor vehicles, and including compensation to necessary employees in the Motor Vehicle Service, \$36,500,000, of which \$4,514,000 shall be available exclusively for the purchase of trucks: *Provided*, That the Postmaster General may purchase and maintain from this appro-

priation such tractors and trailer trucks as may be required in the operation of the vehicle service: *Provided further*, That no part of this appropriation shall be expended for maintenance or repair of motor-propelled passenger-carrying vehicles for use in connection with the administrative work of the Post Office Department in the District of Columbia.

Transportation of equipment and supplies: For the transportation and delivery of equipment, materials, and supplies for the Post Office Department and Postal Service by freight, express, or motor transportation, and other incidental expenses, \$520,000.

PUBLIC BUILDINGS, MAINTENANCE AND OPERATION

Operating force: For compensation to employees in the custodial service, \$44,750,000.

Operating supplies, public buildings: For necessary miscellaneous articles, services and supplies, including transportation thereof, required for the operation of completed and occupied public buildings and grounds operated by the Post Office Department, accident prevention, \$6,750,000, which shall not be available for personal services except for, work done by contract, or for temporary job labor under exigency not exceeding at one time the sum of \$250 at any one building: *Provided*, That the Postmaster General is authorized to contract for telephone service in public buildings under his administration by means of telephone switchboards or equivalent telephone switching equipment jointly serving in each case two or more governmental activities, where he determines that joint service is economical and in the interest of the Government, and to secure reimbursement for the cost of such joint service from available appropriations for telephone expenses of the bureaus and offices receiving the same.

Furniture, carpets, and safes, public buildings: For the procurement, including transportation, of furniture, carpets, safes, safe and vault protective devices, and repairs of same, for use in public buildings which are now, or may hereafter be, operated by the Post Office Department, \$750,000: *Provided*, That excepting expenditures for labor for or incidental to the moving of equipment from or into public buildings, the foregoing appropriation shall not be used for personal services except for work done under contract or for temporary job labor under exigency and not exceeding at one time the sum of \$100 at any one building: *Provided further*, That all furniture now owned by the United States in other public buildings or in buildings rented by the United States shall be used, so far as practicable, whether or not it corresponds with the present regulation plan of furniture.

Deficiency in postal revenues: If the revenues of the Post Office Department shall be insufficient to meet the appropriations made under title II of this Act, a sum equal to such deficiency in the revenues of such Department is hereby appropriated, to be paid out of any money in the Treasury not otherwise appropriated, to supply such deficiency in the revenues of the Post Office Department for the fiscal year ending June 30, 1948, and the sum needed may be advanced to the Post Office Department upon requisition of the Postmaster General.

During the fiscal year 1948, the Postmaster General shall make

quarterly reports to the Senate and House Committees on Appropriations, showing for each quarter the amount paid from each appropriation for overtime, the number of employees receiving such overtime, and the number of hours of overtime worked by such employees, together with a statement as to the necessity for such overtime work.

This title may be cited as the "Post Office Department Appropriation Act, 1948".

TITLE III—GENERAL PROVISIONS

SEC. 301. No part of any appropriation contained in this Act shall be used to pay the salary or wages of any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided*, That for the purposes hereof an affidavit shall be considered *prima facie* evidence that the person making the affidavit has not contrary to the provisions of this section engaged in a strike against the Government of the United States, is not a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or that such person does not advocate, and is not a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided further*, That any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence and accepts employment the salary or wages for which are paid from any appropriation contained in this Act shall be guilty of a felony and, upon conviction, shall be fined not more than \$1,000 or imprisoned for not more than one year, or both: *Provided further*, That the above penalty clause shall be in addition to, and not in substitution for, any other provisions of existing law.

SEC. 302. This Act may be cited as the "Treasury and Post Office Departments Appropriation Act, 1948".

Approved July 1, 1947.

